

JUST ONE WORD, INCORPORATED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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
Just One Word, Incorporated
Baton Rouge, LA 70810

We have reviewed the accompanying statement of financial position of **Just One Word, Incorporated** (a nonprofit organization) as of June 30, 2017, and the related statements of activities, cash flows, and functional expenses for the year then ended. 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 American Institute of Certified Public Accountants. 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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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.

Collins CPA, Accounting & Consulting Services, LLC

New Orleans, Louisiana
December 29, 2017

Just One Word, Incorporated
Statement of Financial Position
as of June 30, 2017

Assets

Current Assets:

Cash	\$ 13,345
Grants Receivable	40,918
Total Current Assets	<u>54,262</u>
Total Assets	<u>\$ 54,262</u>

Liabilities & Net Assets

Current Liabilities:

Loans Payable	\$ 25,760
Payroll Liabilities	22,974
Total Current Liabilities	<u>48,733</u>

Net Assets

Beginning Balance	3,968
Change in Net Assets	1,561
Total Net Assets	<u>\$ 5,529</u>
Total Liabilities & Net Assets	<u>\$ 54,262</u>

See accompanying notes and independent accountant's review report.

Just One Word, Incorporated
Statement of Activities
For the Year Ended June 30, 2017

Revenue and Support:

Program Revenue	\$	349,901
Miscellaneous Revenue		2,893
<i>Total Revenue and Support</i>		<u>352,794</u>

Expenses:

Bank Charges		123
Computer Expenses		11,480
Conference, Convention, Meeting		1,270
Contractual Services		16,571
Dues and Subscriptions		36
Insurance		3,896
Office Expenses		2,826
Other Fees		870
Payroll Expense		294,975
Postage, Mailing Services		167
Program Supplies		13,488
Registration Fees		15
Rent		274
Telephone, Telecommunications		2,712
Travel and Meetings		1,823
Utilities		705
<i>Total Expenses</i>		<u>351,233</u>

Change in Net Assets

1,561

Net Assets

Beginning of Year

3,968

End of Period

\$ 5,529

See accompanying notes and independent accountant's review report.

Just One Word, Incorporated
Schedule of Functional Expenses
For the Year Ended June 30, 2016

	<u>Program Services</u>	<u>Support Services</u>	<u>Fundraising</u>	<u>Total</u>
Bank Charges	\$ -	\$ 123	\$ -	\$ 123
Computer Expenses	11,480			11,480
Conference, Convention, Meeting	1,270			1,270
Contractual Services	6,038	10,533		16,571
Dues and Subscriptions	36			36
Insurance		3,896		3,896
Office Expenses		2,826		2,826
Other Fees		870		870
Payroll Expense	294,975			294,975
Postage, Mailing Services	167			167
Program Supplies	13,488			13,488
Registration Fees	15			15
Rent		274		274
Telephone, Telecommunications		2,712		2,712
Travel and Meetings	1,823	0		1,823
Utilities		705		705
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expense	<u>\$ 329,294</u>	<u>\$ 21,939</u>	<u>\$ -</u>	<u>\$ 351,233</u>

See accompanying notes and independent accountant's review report.

Just One Word, Incorporated
Statement of Cash Flows
Year Ended June 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 1,561
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Increase in grant receivables	(16,232)
Increase in payroll liabilities	<u>15,540</u>
Net cash provided by operating activities	<u>(691)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Increase in proceeds from borrowing	<u>(10,556)</u>
Net cash provided by financing activities	<u>(10,556)</u>

Net decrease in cash and cash equivalents (9,686)

Cash - July 1, 2016 23,031

Cash - June 30, 2017 13,345

*There was no interest paid during fiscal year 2017

See accompanying notes and independent accountant's review report.

JUST ONE WORD, INCORPORATED
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Nature of Organization and Significant Accounting Policies

A. Organization and Operations

Just One Word, Incorporated is a community based organization and one of its many purposes is to strengthen the family unit. The organization was birthed during calendar year 2007 due to the realization that all an individual may need to turn his or her life around or get back on track is one word of encouragement, correction or love from someone. The organization makes attempts to combat family division due to finances and to eliminate the inability to manage family finances.

Just One Word, Incorporated is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

B. Basis of Accounting

The organization maintains its accounting records on the accrual method of accounting. Donations are included in support in the period received.

Financial Statement Presentation

The financial statements are prepared on the accrual basis of accounting. The financial statements are prepared in accordance with FASB Accounting Standards Codification 958-205, *Presentation of Financial Statements*, FASB Accounting Standards Codification 958-205, *Presentation of Financial Statements* states that a complete set of financial statements for a non-profit organization includes (1) a statement of financial position, (2) a statement of activities, (3) a statement of cash flows, and (4) notes to the financial statements.

In accordance with *FASB Accounting Standards Codification 958-210, Balance Sheet*, a statement of financial position focuses on the organization as a whole and, therefore, reports total assets, liabilities, and net assets by class (unrestricted, temporarily restricted, and permanently restricted).

A description of the three net asset categories is as follows:

Unrestricted net assets represents those assets which are not subject to donor-imposed stipulations and therefore, are assets **Just One Word, Incorporated** may use at its discretion.

Temporarily restricted net assets result from contributions and other inflows of assets whose use by **Just One Word, Incorporated** is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of **Just One Word, Incorporated** pursuant to those stipulations.

JUST ONE WORD, INCORPORATED
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Nature of Organization and Significant Accounting Policies Continued:

Permanently restricted net assets are contributions which are required by the donor-imposed restriction to be invested in perpetuity and only the income be made available for program operations in accordance with the donor restrictions. Such income is reflected in temporarily restricted net assets until utilized for donor-imposed restrictions.

C. Support and expenses

All revenues and support are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets in the statement of activities as net assets released from restrictions. Just One Word, Incorporated relies heavily on grants from the Louisiana Department of Education.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

D. Contributions

Just One Word, Incorporated has adopted FASB Accounting Standards Codification 958-605, Revenue Recognition. In accordance with FASB Accounting Standards Codification 958-605, Revenue Recognition, contributions are recognized when the donor makes a promise to give and are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and or nature of any donor restrictions.

Just One Word, Incorporated reports gifts of cash and other assets as unrestricted support unless they are received with donor stipulations that limit the use of donated assets. When the donor restriction expires, that is, when the time restriction ends or the purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Just One Word, Incorporated reports contributions of assets other than cash at their estimated fair value at the date of the gift and are reported as revenues of the unrestricted net asset class unless explicit donor stipulations specify how the donated asset must be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenues of the temporarily restricted or permanently restricted net asset classes. Absent explicit donor stipulations about how long those long-lived assets must be maintained.

JUST ONE WORD, INCORPORATED
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Nature of Organization and Significant Accounting Policies Continued:

Just One Word, Incorporated reports expiration of donor restrictions when the donated or acquired long-lived assets are placed in service.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently support that increases those net asset classes. When a qualifying expenditure occurs or a time restriction expires, temporarily restricted assets are recognized in unrestricted net assets as “net assets released from restrictions” in the statement of activities. However, if a restriction is fulfilled in the same period in which the contribution is received, the contribution is reported as an unrestricted contribution.

E. Allowance for doubtful accounts

Just One Word, Incorporated considers accounts receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required.

F. Property and equipment

Purchased property and equipment are recorded at cost at the date of acquisition. Property and equipment purchased with grants funds are recorded as temporarily restricted contributions. In the absence of donor stipulations regarding how long the assets must be used, **Just One Word, Incorporated** has adopted a policy of implying a time restriction that expires over the useful life of the assets. **Just One Word, Incorporated** maintains a threshold level of \$500 or more for capitalizing capital assets. Depreciation is computed by the straight-line Method based on the following estimated lives:

	<u>Years</u>
Furniture and equipment	5-7
Vehicles	5

G. Donated Services

Just One Word, Incorporated receipt of donated services from unpaid volunteers during the year are not reflected in the statement of activities because the criteria for recognition under FASB Codification Section 958-605-25 have not been satisfied.

JUST ONE WORD, INCORPORATED
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Nature of Organization and Significant Accounting Policies Continued:

H. Cash and cash equivalents

Cash and cash equivalents consist of cash held in checking accounts on deposit in local banks. These funds are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2017, all funds on deposit were full insured b FDIC insurance coverage.

For the purposes of the statement of cash flows, **Just One Word, Incorporated** cash considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

I. Income Taxes

Just One Word, Incorporated is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes except to the extent it has unrelated business income. Because the organization is a church, it has elected not to complete Form 990. Accordingly no provisions for federal or state income taxes have been recorded in the accompanying financial statements. Tax years 2014, 2015, and 2016 are open for tax purposes.

J. Natural Classification of expenses

The costs of providing for **Just One Word, Incorporated's** program and administering the related supporting services have been summarized on a functional basis in the statement of activities. Accordingly, expenses that benefit both program supporting services have been allocated using management's estimates.

Just One Word, Incorporated's fundraising activities, in many cases, include purposes or contents related to a program service. FASB Accounting Standards Codification 958-720-45-29 (formerly AICPA Statement of Position 98-2) states that joint costs of informational materials or activities should be that a program or general uncton has been performed in conjunction with the appeal for funds. Although **Just One Word, Incorporated** has the ability to give evidence for such contributed activities, it does not allocate those portions from its fundraising activities to program services.

K. Operations

During the year ended June 30, 2017, **Just One Word, Incorporated** was party to a cost reimbursement agreement with the Louisiana Department of Education. Under the agreement **Just One Word, Incorporated** would be reimbursed for expenses for the operation of the after the school programs.

JUST ONE WORD, INCORPORATED
NOTES TO FINANCIAL STATEMENTS

NOTE 2 – Accounting Estimates:

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

NOTE 3 - Summary of Grant Funding

Just One Word, Incorporated was funded by the Louisiana Department of Education's 21st Century federal funds. The amount received through calendar year ended June 30, 2017 was \$351,659.

NOTE 4 - Contingent Liabilities

Just One Word, Incorporated received a federal grant from a state agency that are subject to review and audit by the agency providing the funding at both the state and federal level. Such reviews and audit could result in expenses being disallowed under the terms and condition of the grants. In the opinion of management, such disallowances, if any, would be immaterial.

NOTE 5 - Subsequent Events

Management has evaluated subsequent events through December 29, 2017, the date which the financial statements were available for issue.

NOTE 6 - Concentration of Revenue and Support

The organization receives its funding from a federal grant from the State of Louisiana's Department of Education.

NOTE 7 - 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 years 2014, 2015, and 2016 are open for examination by various taxing authorities.

EXHIBIT A

JUST ONE WORD, INCORPORATED

**Independent Accountant's Report
On Applying Agreed Upon Procedures**

FOR THE YEAR ENDED JUNE 30, 2017

Collins CPA Accounting & Consulting Services LLC

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**COLLINS CPA
ACCOUNTING &
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L.L.C.**

Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Board of Directors
Just One Word, Incorporated
Baton Rouge, LA 70810

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **Just One Word, Incorporated**, the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about **Just One Word, Incorporated** compliance with certain laws and regulations during the period ended June 30, 2017 included in the accompanying *Louisiana Attestation Questionnaire*. Management of **Just One Word, Incorporated** is responsible for its financial records and compliance with applicable laws and regulations. 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. Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Just One Word, Incorporated federal award expenditures for all federal programs for the fiscal year follow:



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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED UPON PROCEDURES
(CONTINUED)

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
21 st Century Community Learning Center Program (21 st CCLC)	July 1, 2014 – June 30, 2017	84.287C	\$349,901
Total Expenditures			\$349,901

2. For each federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

3. For the items selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determined if the six disbursements were properly coded to the correct fund and general ledger account.

We examined supporting documentation for each of the six selected disbursements and found that payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determined whether the six disbursements received approval from proper authorities.

We examined supporting documentation for each of the six selected disbursements and found that payments were properly approved.

6. For the items selected in procedure 2: For federal awards, we determined whether the disbursements 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, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed. No exceptions were noted.

Eligibility

We reviewed the previously listed disbursements for eligibility requirements. No exceptions were noted.

Reporting

We reviewed the previously listed disbursements for reporting requirements. No exceptions were noted.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the agency's financial records to determine whether the amounts agree. No exceptions were noted.

Open Meetings

8. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

Just One Word, Incorporated is only required to post a notice of each meeting and the accompanying agenda on the door of **Just One Word, Incorporated** office building. No exceptions were noted.

Budget

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency 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.

Just One Word, Incorporated provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

Other Matters – None Noted

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 **Just One Word, Incorporated**, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies 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.

Collins CPA Accounting & Consulting Services, LLC

December 29, 2017

EXHIBIT B



A 501 (c) 3 Community Development Corporation

1708 Theron Drive
Baton Rouge, LA. 70801
Telephone: (225) 766-2592

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)
December 30, 2017

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

In connection with your review of our financial statements as of June 30, 2017 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 [

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 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 at <http://app1.la.state.la.us/lla/nsf>, to determine whether a non-profit agency is subject to the open meetings law.**

Yes [X] 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 [X]

] No []

Prior-Year Comments

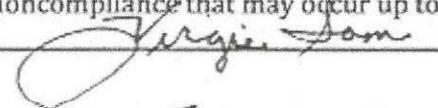
We have resolved all prior-year recommendations and/or comments.

Yes [] No []

] NA [X]

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 12/29/2017 Date

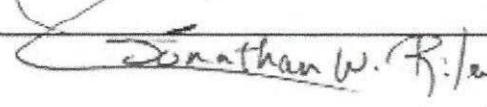
 President 12/29/2017 Date

EXHIBIT C

Just One Word, Incorporated

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

Year Ended June 30, 2017

Agency Head Name: Bonnie Riley

Purpose	Amount
Salary	\$67,305.00
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
Repayment of funds that had been loaned to organization to cover program expenses and payroll expenses by the Executive Director due to delays in reimbursements from state agency.	\$72,112.54

*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.