

THINK FIRST OF THE ARK-LA-TEX, INC.

SHREVEPORT, LOUISIANA

**FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

**Marsha O. Millican
A Professional Accounting Corporation
Shreveport, Louisiana**

THINK FIRST OF ARK-LA-TEX, INC.

Table of Contents

December 31, 2017

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	Exhibit A 3
Statement of Activities and Changes in Net Assets	Exhibit B 4
Statement of Cash Flows	Exhibit C 5
NOTES TO FINANCIAL STATEMENTS	6 - 7
Schedule of Compensation, Reimbursements, and Other Payments to Agency Head	8
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</i> <i>AUDITING STANDARDS</i>	9 - 10
SCHEDULE OF FINDINGS	11
SCHEDULE OF PRIOR YEAR FINDINGS	12



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

Independent Auditor's Report

To the Board of Directors
Think First of Ark-La-Tex, Inc.
Shreveport, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of Think First of Ark-La-Tex, Inc., which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Think First of the Ark-La-Tex, Inc., as of December 31, 2017, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated June 21, 2018 on my consideration of Think First of Ark-La-Tex, Inc.'s internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Think First of Ark-La-Tex's internal control over financial reporting and compliance.

Required Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of compensation, reimbursements, benefits, and other payments to agency head on page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This 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. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 my opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.



Certified Public Accountant
June 21, 2018

THINK FIRST OF ARK-LA-TEX, INC.

Statement of Financial Position

December 31, 2017

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 95,680
Grants Receivable	<u>40,746</u>
Total Current Assets	136,426
PROPERTY AND EQUIPMENT (NET)	82,039
OTHER ASSETS	
Investments	<u>56,930</u>
Total Assets	<u>\$ 275,395</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	<u>2,039</u>
Total Current Liabilities	<u>2,039</u>
Total Liabilities	2,039
Net Assets:	
Unrestricted	216,426
Temporarily Restricted	-
Permanently Restricted	<u>56,930</u>
Total Net Assets	<u>273,356</u>
Total Liabilities and Net Assets	<u>\$ 275,395</u>

The accompanying notes are an integral part of this statement.

THINK FIRST OF ARK-LA-TEX, INC.

Statement of Activities

For the Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE:				
Support:				
Contributions	\$ 8,218	\$ -	\$ 9,182	\$ 17,400
Total Support	<u>8,218</u>	<u>-</u>	<u>9,182</u>	<u>17,400</u>
Revenues:				
Grants	-	135,063	-	135,063
Special Events	44,149	-	-	44,149
Rental Income	6,000	-	-	6,000
Interest and Net Unrealized Gains	466	-	5,698	6,164
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>50,615</u>	<u>135,063</u>	<u>5,698</u>	<u>191,376</u>
Total Support and Revenue	<u>58,833</u>	<u>135,063</u>	<u>14,880</u>	<u>208,776</u>
Net Assets Released from Restrictions:				
Satisfaction of Usage Restrictions	<u>135,063</u>	<u>(135,063)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>193,896</u>	<u>-</u>	<u>14,880</u>	<u>208,776</u>
EXPENSES				
Program Expenses	150,551	-	1,170	151,721
General and Administrative	17,326	-	328	17,654
Special Events	<u>14,205</u>	<u>-</u>	<u>-</u>	<u>14,205</u>
Total Expenses	<u>182,082</u>	<u>-</u>	<u>1,498</u>	<u>183,580</u>
Change in Net Assets	11,814	-	13,382	25,196
Net assets, beginning of year	<u>204,612</u>	<u>-</u>	<u>43,548</u>	<u>201,884</u>
Net assets, end of year	<u>\$ 216,426</u>	<u>\$ -</u>	<u>\$ 56,930</u>	<u>\$ 273,356</u>

The accompanying notes are an integral part of this statement.

THINK FIRST OF ARK-LA-TEX, INC.

Statement of Cash Flows

For the Year Ended December 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 25,196
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	8,340
Changes in assets and liabilities:	
Increase in grants receivable	(4,393)
Decrease in accounts payable	<u>(328)</u>
Net cash provided by operating activities	<u>28,815</u>

CASH FLOWS USED BY INVESTING ACTIVITIES:

Net change in investments	<u>(13,382)</u>
---------------------------	-----------------

CASH FLOWS USED BY FINANCING ACTIVITIES:

Proceeds from debt	-
Payments on debt	-
Purchase of fixed assets	<u>-</u>

Net cash provided by investing activities	<u>-</u>
---	----------

Net increase in cash	15,433
----------------------	--------

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>80,247</u>
--	---------------

CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 95,680</u></u>
--	-------------------------

The accompanying notes are an integral part of this statement.

THINK FIRST OF ARK-LA-TEX, INC.

Notes to Financial Statements

December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. General:

Think First of Ark-La-Tex, Inc. is a nonprofit organization exempt for federal income tax purposes under Section 501 (c) (3) of the Internal Revenue Code and is exempt from federal and state income taxes. The Organization's mission is to prevent brain and spinal cord injuries through education and community activities. The Organization is managed by the officers of the corporation who are responsible to the Board of Directors as the bylaws require.

B. Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting.

C. Basis of Presentation:

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification, the single source of authoritative accounting principles generally accepted in the United States of America. (US GAAP). Under the Codification, the Organization 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.

D. Cash and Cash Equivalents:

For purposes of cash flows, the organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

E. Property and Equipment:

Purchased property and equipment are stated at cost. Donated property and equipment are stated at their fair market value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from five to ten years.

F. Contributions:

All contributions received are considered available for unrestricted use unless the donor specifies a restriction. 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 temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

(Continued)

G. Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

H. Advertising:

Think First of Ark-La-Tex, Inc. follows the policy of charging the costs of advertising to expense as incurred.

2. Concentrations of Credit Risk:

All cash accounts are fully collateralized by FDIC insurance.

3. Grants Receivable:

Grants Receivable represents amounts due under grant contracts and are fully collectible.

4. Fixed Assets:

Fixed assets consist of the following:

Building and Improvements	\$ 115,995
Furniture and Equipment	29,531
Accumulated Depreciation	<u>(63,487)</u>
Net	<u>\$ 82,039</u>

5. Donated Material and Services:

Donated materials and equipment are reflected as contributions in the accompanying financial statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated services in as much as no objective basis is available to measure the value of such services and the donated services do not create a nonfinancial asset.

6. Investments:

Think First of the Ark-La-Tex, Inc. entered into an agreement with the Community Foundation of North Louisiana (CFNLA). The agreement established an Agency Endowment Fund at CFNLA called "Emily Nicole Smith Think First Endowment Fund". The fund will be used for support of the charitable purposes of Think First of the Ark-La-Tex, Inc. Net income and capital appreciation of the Fund, as governed by CFNLA's Spending Policy, will be paid and distributed to Think First of the Ark-La-Tex, Inc. at least annually. The fair market value of the fund at December 31, 2017 was \$56,930.

7. Subsequent Events:

Management has evaluated subsequent events through June 21, 2018, the date the financial statements were available for issue, and determined no additional disclosures are warranted.

THINK FIRST OF ARK-LA-TEX, INC.
Schedule of Compensation, Reimbursements, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2017

Agency Head: Donna Cavanaugh, Executive Director

Salary	\$ 8,847
Payroll Taxes	\$ 1,072
Travel	\$ 1,436
Conference Fees	\$ 775



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

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
Think First of Ark-La-Tex, Inc.
Shreveport, Louisiana

I 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 Think First of Ark-La-Tex, Inc., which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and related notes to the financial statements, and have issued my report thereon dated June 21, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Think First of Ark-La-Tex, Inc.'s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation 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 Organization's financial statements will not be prevented, or detected 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.

My 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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I 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 Think First of Ark-La-Tex, Inc.'s financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

810 WILKINSON
SHREVEPORT, LA 71104-3036
(318) 221-3881
FAX: (318) 221-4641

Purpose of this Report

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

Marsha O. McKeain

Certified Public Accountant
June 21, 2018

THINK FIRST OF ARK-LA-TEX, INC.

Schedule of Findings

For the Year Ended December 31, 2017

Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements.
2. No significant deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Think First of Ark-La-Tex, Inc. were disclosed during the audit.

Finding/Noncompliance

There were no findings for the year ended December 31, 2017.

THINK FIRST OF ARK-LA-TEX, INC.

Schedule of Prior Year Findings

For the Year Ended December 31, 2017

There were no findings for the year ended December 31, 2016.