

**LOUISIANA CENTER AGAINST POVERTY, INC.**  
**Monroe, Louisiana**

**COMPILATION REPORT  
AND  
FINANCIAL STATEMENTS  
WITH SUPPLEMENTAL INFORMATION  
As of And for the Year Ended June 30, 2018**

**BY**

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Compilation Report  
And Financial Statements  
With Supplemental Information  
As of and for the Year Ended June 30, 2018

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### **Independent Accountant's Compilation Report**

To the Board of Directors  
Louisiana Center Against Poverty, Inc.  
Monroe, Louisiana

Management is responsible for the accompanying financial statements of Louisiana Center Against Poverty, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018 and the related statement of activities, statement of cash flows, and statement of functional expenses for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The information presented in Schedules 1 and 2 is for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to my compilation engagement; however, I have not audited or reviewed the information, and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Rosie D. Harper  
Certified Public Accountant

December 22, 2018

## **FINANCIAL STATEMENTS**

## LOUISIANA CENTER AGAINST POVERTY, INC.

Statement A

## Statement of Financial Position

June 30, 2018

**Assets**

Cash and Cash Equivalents	\$ 19,091
Property, Furniture, and Equipment, (Net, Note D)	<u>-</u>
Total Assets	<u><u>19,091</u></u>

**Liabilities and Net Assets**

## Liabilities:

Accrued Liabilities	<u>23,405</u>
Total Liabilities	<u>23,405</u>

## Net Assets:

Unrestricted:	
Operating	<u>(4,314)</u>
Total Unrestricted	(4,314)
Temporarily Restricted	<u>-</u>
Total Net Assets	<u>(4,314)</u>
Total Liabilities and Net Assets	<u><u>\$ 19,091</u></u>

See Accompanying Independent Accountant's Report and Notes to Financial Statements.

## Statement of Activities

For the Year Ended

June 30, 2018

**UNRESTRICTED NET ASSETS****Support**

Other Revenues	\$ 35,257
<b>TOTAL UNRESTRICTED SUPPORT</b>	<u>35,257</u>

**Net Assets Released from Restrictions**

Restrictions Satisfied by Payments	<u>138,907</u>
<b>TOTAL UNRESTRICTED SUPPORT AND RECLASSIFICATION</b>	<u>174,164</u>

**Expenses**

Program Expense	<u>174,164</u>
Total Expenses	<u>174,164</u>
Change in Unrestricted Net Assets	<u>-</u>

**TEMPORARILY RESTRICTED NET ASSETS**

Grants and Contracts	
Federal	138,907
Net Assets Released from Restrictions	
Restrictions Satisfied by Payments	<u>(138,907)</u>
Change in Temporarily Restricted Net Assets	<u>-</u>
Change in Net Assets	-
Net Assets as of Beginning of Year	<u>(4,314)</u>
Net Assets as of End of Year	<u>\$ (4,314)</u>

See Accompanying Independent Accountant's Report and Notes to Financial Statements.

LOUISIANA CENTER AGAINST POVERTY, INC.  
Statement of Functional Expenses  
For the Year Ended  
June 30, 2018

**Personnel Costs**

Salaries and Wages	\$ 108,907
Payroll Taxes and Other Fringe Benefits	9,902
<b>Total Personnel Costs</b>	<u>118,809</u>

**Other Expenses**

Automobile Expense	1,442
Insurance	8,179
Operating Costs	10,240
Professional Fees	15,000
Rent Expense, Facilities and Office	16,465
Travel	1,738
Utilities	2,291
<b>Total Other Expenses</b>	<u>55,355</u>

**Total Functional Expenses** \$ 174,164

See Accompanying Independent Accountant's Report and Notes to Financial Statements.

LOUISIANA CENTER AGAINST POVERTY, INC.  
Statement of Cash Flows  
For the Year Ended  
June 30, 2018

<b>Operating Activities</b>	<u>All Funds</u>
Change in Net Assets	\$ -
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Decrease in Grant Receivables	13,339
Decrease in Accrued Liabilities	<u>(33,999)</u>
Total Adjustments	<u>(20,660)</u>
Net Cash Provided by Operating Activities	<u>(20,660)</u>
Net Increase in Cash and Cash Equivalents	(20,660)
Cash and Cash Equivalents as of Beginning of Year	<u>39,751</u>
Cash and Cash Equivalents as of the End of Year	<u><u>\$ 19,091</u></u>

See Accompanying Independent Accountant's Report and Notes to Financial Statements.

**Louisiana Center Against Poverty, Inc.  
Monroe, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended June 30, 2018**

**NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

Louisiana Center Against Poverty, Inc. is a nonprofit corporation, organized to implement comprehensive programs addressing economic, education, and health problems in the parishes of Concordia, East Carroll, Madison, Ouachita, and Tensas. The organization's primary focus is counseling, mentoring and tutoring youth, in the area, concerning alcohol and drug abuse prevention, clothing and feeding, healthcare planning and prevention, job creation and economic development, and introduction and exposure to new and existing technologies.

**Basis of Accounting**

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

**Revenue Recognition**

In order to comply with restrictions, which donors place on grants and other gifts as well as designations made by its governing board, the principles of reporting net assets are used. Revenue and public support consist mainly of federal, state and private grants, fundraising, and contributions. Grants and other contributions of cash and other assets are reported as permanently restricted or temporarily restricted if they are received with donor restrictions or restrictions designated by the governing board. Contributions are considered to be unrestricted unless restricted by the donor. All assets over which the Board of Directors has discretionary control have been included in the General Fund.

**Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Louisiana Center Against Poverty, Inc.**  
**Notes to the Financial Statements (Continued)**

**Support and Revenue**

The organization is funded substantially through state contracts and grants on an annual basis. The organization recognizes revenue, from contracts and grants, on pro-rata basis as predetermined by the funding agencies. Contract and grant support are recognized as unrestricted since expenditure for purpose occurs during the contract and grant period.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Carrying values approximate their fair values because of short term maturities of the financial instruments.

**Contributed Services**

The organization receives significant services donated by members from the various communities it serves in conducting its programs. No amounts have been reflected in the financial statements for those services.

**Property, Furniture, and Equipment**

The Organization records donations of property, furniture and equipment as support at their fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for 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 support. 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. Assets purchased by the Organization are recorded at costs.

The organization record, at cost, purchases of property and equipment in excess of \$5,000 as fixed assets. Donations of property and equipment are recorded at fair market value at the time of donation. Depreciation is calculated on the straight-line method over the useful lives of its respective assets.

Automobiles	5 Years
Computer Equipment	5 Years
Equipment	8 Years
Office Furniture	8 Years

**Louisiana Center Against Poverty, Inc.**  
**Notes to the Financial Statements (Continued)**

**Income Taxes**

The organization is a nonprofit corporation, exempt under section 501 (c) (3) of the internal revenue code and did not conduct unrelated business activities. Therefore, no provision for corporate income taxes has been included in the financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 22, 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by Internal Revenue Service for the years ended June 30, 2018, 2017, and 2016; however, there are currently no audits for any tax period in progress.

**NOTE B. CONTRACT/GRANT AWARDS**

Louisiana Center Against Poverty, Inc. was funded as received funds through the following agencies by contracts and grant awards for June 30, 2018 as follows:

<b>Funding Department</b>	<b>Funding Period</b>	<b>Contract Grant Amount</b>	<b>Previously Recognized</b>	<b>Expended in Current Year</b>	<b>Balance</b>
State of Louisiana:					
Northeast Delta Human Services Authority	07/1/2017-6/30/2018	\$ 138,907	\$ -	\$ 138,907	\$ -
Total Contracts and Grants		<u>\$ 138,907</u>	<u>\$ -</u>	<u>\$ 138,907</u>	<u>\$ -</u>

**NOTE C. CASH AND CASH EQUIVALENTS**

For the period ended June 30, 2018, the Organization had the following cash and no cash equivalents:

Unrestricted:	
Checking	<u>\$ 19,091</u>
Total	<u><u>\$ 19,091</u></u>

**NOTE D. DESCRIPTION OF LEASING ARRANGEMENTS**

For the year ended June 30, 2018, the facility used for office space was leased under a short-term arrangement. Total office space lease cost for the year ended June 30, 2018 was \$15,115.

**Louisiana Center Against Poverty, Inc.**  
**Notes to the Financial Statements (Continued)**

**NOTE E. PROPERTY, PLANT, AND EQUIPMENT**

A summary of changes in property, plant and equipment for the year ended June 30, 2018 is as follows:

	<b>Balance @ 07/01/17</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance @ 06/30/18</b>
Automobiles	\$ 119,059	\$ -	\$ -	\$ 119,059
Computer Equipment	23,987	-	-	23,987
Furniture	2,308	-	-	2,308
Equipment	13,917	-	-	13,917
Depreciation	(159,271)	-	-	(159,271)
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE F. FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and activities have been summarized on a functional basis on the statement of activities. Accordingly, certain costs have been allocated among the programs supporting services benefited.

**NOTE G. RELATED PARTIES**

Carolyn Hunt serves as the Executive Director of the agency, and her spouse, Danny Hunt is employed as the bookkeeper. The Board of Directors approved the appointment of the Executive Director and the bookkeeper.

**NOTE H. CONCENTRATION OF RISK**

For the year ended June 30, 2018, the Louisiana Center Against Poverty, Inc. was subject to significant concentration risks due to the fact that one hundred percent (80%) of its funding consisted of contracts and grants received from the State of Louisiana.

**NOTE I. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 22, 2018, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

## **SUPPLEMENTAL INFORMATION**

LOUISIANA CENTER AGAINST POVERTY, INC.  
 Schedule of Compensation - Key Management

For the Year Ended  
 June 30, 2018

Job Title	<b>Carolyn Hunt</b>	<b>Danny Hunt</b>
	<b>Executive Director</b>	<b>Bookkeeper</b>
Salary	\$ 30,450	\$ 27,300
Benefits-Insurance	-	-
Benefits-Retirement	-	-
Other Benefits	-	-
Car Allowance	-	-
Vehicle provided by Government	-	-
Per Diem	-	-
Reimbursements	-	-
Registration Fees	-	-
Conference Travel	-	-
Continuing Professional Education Fees	-	-
Housing	-	-
Unvouchered Expenses	-	-
Special Meals	-	-
<b>Total Compensation</b>	<b>\$ 30,450</b>	<b>\$ 27,300</b>

See Accompanying Independent Accountant's Report and Notes to Financial Statements.

LOUISIANA CENTER AGAINST POVERTY, INC.  
Schedule of Board Members

For the Year Ended  
June 30, 2018

<b>Board Member</b>	<b>Title</b>	<b>Location</b>
Leartrice Hawkins	Chairman	Lake Providence, Louisiana
Morgan Moss	Board Member	Rayville, Louisiana
Vickey Wilson	Board Member	Lake Providence, Louisiana
Carol Powell-Lexing	Board Member	Monroe, Louisiana
Jo Ann Thompson	Board Member	Lake Providence, Louisiana

See Accompanying Independent Accountant's Report and Notes to Financial Statements.