

**SENIOR CITIZENS
OUTREACH ENTITY, INC.
(A NONPROFIT ORGANIZATION)**

**Financial Statements
As Of and For the Year Ended
December 31, 2018**

SENIOR CITIZENS OUTREACH ENTITY, INC.
(A NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS
As of and For the Year Ended
December 31, 2018

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Little & Assoc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

The Board of Directors and Management of
Senior Citizens Outreach Entity, Inc.
Richwood, Louisiana

Management is responsible for the accompanying financial statements of Senior Citizens Outreach Entity, Inc. (a Nonprofit Organization), which comprise the statement of financial position as of December 31, 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 in accordance with accounting principles generally accepted in the United States of America. We 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. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information contained on page 10 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Little & Associates, LLC

Monroe, Louisiana
June 21, 2019

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2018

Assets	
Cash	\$ 134,948
Property and Equipment:	
Furniture and Equipment	22,649
Automobile	21,287
Leasehold Improvements	<u>51,420</u>
Total	95,356
Less Accumulated Depreciation	<u>(95,349)</u>
Net Property and Equipment	<u>7</u>
 Total Assets	 <u>\$ 134,955</u>
 Liabilities	
Accounts Payable	\$ <u>2,390</u>
 Total Liabilities	 <u>2,390</u>
 Net Assets	
Net Assets Without Donor Restrictions	<u>132,565</u>
Total Net Assets	<u>132,565</u>
 Total Liabilities and Net Assets	 <u>\$ 134,955</u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Net Assets without Donor Restrictions</u>
Support and Revenue	
Contracts:	
Ouachita Parish Council on Aging	\$ 89,199
Donated Use of Facility	36,000
Other Income	1,000
Interest Income	141
Net Assets Released from Restriction:	
Satisfaction of Purpose Restrictions	-
Satisfaction of Implied Time Restrictions	-
	<u> </u>
Total Support and Revenue	<u>126,340</u>
Expenses	
Programs	87,729
Supporting Services:	
Management and General	<u>26,678</u>
Total Expenses	<u>114,407</u>
Change in Net Assets without Donor Restrictions	11,933
Net Assets without Donor Restrictions at Beginning of Year	<u>120,632</u>
Net Assets without Donor Restrictions at End of Year	<u>\$ <u>132,565</u></u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Program Services</u>	<u>Supporting Services Management and General</u>	<u>Total</u>
Automobile	\$ 4,758	\$ -	\$ 4,758
Bank Charges	-	81	81
Contract Services	8,709	-	8,709
Communication	4,888	-	4,888
Depreciation	95	-	95
Donated Use of Facility	36,000	-	36,000
Education	25	-	25
Insurance	3,572	-	3,572
Meals	18,014	-	18,014
Office Expense	-	1,945	1,945
Other Expenses	-	1,296	1,296
Payroll	11,400	3,900	15,300
Pest Control	-	1,208	1,208
Professional Fees	-	2,277	2,277
Supplies	1,515	-	1,515
Taxes - Payroll	752	257	1,009
Transportation	9,235	-	9,235
Utilities-Water, Gas, Electric, Cable	4,480	-	4,480
	<u>\$ 103,443</u>	<u>\$ 10,964</u>	<u>\$ 114,407</u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

Operating Activities

Change in Net Assets	\$ 11,933
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	95
Increase (Decrease) in Accounts Payable	<u>(394)</u>
Net Cash Provided By (Used In) Operating Activities	<u>11,634</u>
Net Increase (Decrease) in Cash and Cash Equivalents	11,634
Cash and Cash Equivalents at Beginning of Year	<u>123,314</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>134,948</u></u>

Disclosure of Accounting Policy

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 – ORGANIZATION

Senior Citizens Outreach Entity, Inc. (the Organization) is a not-for-profit organization established to enhance the quality of life for senior citizens as it relates to education, health care, economic development and recreational activities. The Organization, which was founded in 1997, provides services to senior citizens residing primarily in the southern boundaries of Ouachita Parish, Louisiana area and operates under a contract with the Ouachita Council on Aging as required by the State of Louisiana Governor's Office of Elderly Affairs (Office of Elderly Affairs), the primary funding agency for the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with U.S. generally accepted accounting principles.

FINANCIAL STATEMENT PRESENTATION

Financial statement presentation follows the provisions of Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 958, Not-for-Profit Organizations*. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. These two classes of net assets are described as follows:

Net Assets without Donor Restrictions – Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets with Donor Restrictions – Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may need to be maintained in perpetuity.

Earnings related to restricted net assets will be included in net assets without donor-restrictions unless otherwise specifically required to be included in donor-restricted net assets by the donor or by applicable state law.

All net assets of the Organization at December 31, 2018 were considered to be net assets without donor restrictions.

ADOPTION OF ACCOUNTING PRONOUNCEMENT

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires significant changes to the financial reporting model of

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ADOPTION OF ACCOUNTING PRONOUNCEMENT (CONTINUED)

organizations who follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three classes to two – net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Organization, including required disclosures about liquidity and availability of resources and increased disclosures on functional expenses. The new standard is effective for the Organization's year ending December 31, 2018 and thereafter and must be applied on a retrospective basis. The Organization adopted the ASU effective January 1, 2018. Adoption of the ASU did not result in any reclassifications or restatements to net assets or changes in net assets.

PERVASIVENESS OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires 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.

CONTRIBUTIONS

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions support, depending on the existence and/or nature of any donor restrictions. Contributions are recognized as support when received or when an unconditional promise to give is received.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions, depending on the existence or nature of any donor imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

PROPERTY, EQUIPMENT, AND DEPRECIATION

Furniture and equipment acquired by the organization and leasehold improvements made by the organization are recorded at cost. Property and equipment donated to the organization are recorded at fair value. Property and equipment purchased or donated with a cost or value exceeding \$250 and having a useful life of more than one year are capitalized. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities. The Organization is not permitted to dispose of property and equipment without the consent of the Ouachita Council on Aging and/or various state agencies.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUPPORT AND REVENUE RESTRICTIONS

The Organization reports support and revenue that is restricted by the donor as an increase in net assets with donor restrictions. When the restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

ADVERTISING COSTS

Advertising and marketing costs are expenses as incurred.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and the supporting services benefited. Salaries and payroll tax expense are allocated between program services and management and general based on the basis of estimates of time and effort.

INCOME TAX STATUS

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and is classified as other than a private foundation. During the year ended December 31, 2010, the Organization adopted certain provisions of FASB ASC 740, *Income Taxes*. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's Federal Return of Organization Exempt from Income Tax (Form 990) for the years ended December 31, 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 3 – DEPOSITS

At December 31, 2018, the Organization maintains three bank accounts at Iberia Bank. Interest-bearing and noninterest-bearing accounts, in the aggregate, are insured up to \$250,000 at each financial institution by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2018, there were no uninsured deposits.

Liquidity and Availability of Resources

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	2018
Cash	\$ 134,948
Total	\$ 134,948

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 3 – DEPOSITS (CONTINUED)

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. None of the financial assets are subject to donor or other contractual restrictions. Accordingly all such funds are available to meet the cash needs of the Organization in the next 12 months.

NOTE 4 – REVENUE AND SUPPORT

The Organization's primary source of support and revenue for the programs and the administration of the Organization is through a grant received from the Office of Elderly Affairs. Grant funds received from the Office of Elderly Affairs are passed-through from the Ouachita Council on Aging in accordance with the Organization's contract with the Ouachita Council on Aging. The contract for July 1, 2018 through June 30, 2019 was renewed.

NOTE 5 – DONATED USE OF FACILITY

The organization performs administrative functions and provides the majority of its programs in a facility, the use of which is donated by Pleasant Green Baptist Church, Inc. The value of donated use of facility meeting the requirements for recognition in the financial statements for the year ended December 31, 2018, totaled \$36,000, and has been included in revenue and expenses.

NOTE 6 – PROGRAMS

The Organization operates several programs designed to satisfy the needs of senior citizens in the southern boundaries of Ouachita Parish, Louisiana.

The programs operated by the Organization are described as follows:

Meals on Wheels – The program provides food for those senior citizens who are unable to provide a healthy diet for themselves. Meals are served on-site and at the homes of sick and shut-in individuals, who are unable to come on-site to participate in the program.

Transportation – The program is designed to ensure that senior citizens participating in the program can have a safe reliable means of transportation to various civic organizations, to pay bills, to and from the organization's on-site location, to and from medical appointments, and for various other activities.

Recreational and Educational Activities – The program includes, but is not limited to, on site resource presenters who inform the senior citizens about health concerns affecting the elderly. Volunteers oversee survival skill activities such as grocery shopping, visits to the doctor, and paying bills. Also, various recreational activities, which include crafts and other interests, are provided on-site in order to promote social grouping, individual activities and day-to-day interaction in a safe and accommodating environment.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 7 – FINANCIAL INSTRUMENTS

COLLATERALIZATION POLICY

The Organization does not require collateral to support financial instruments subject to credit risk.

CONCENTRATIONS

The Organization's primary source of current funding is through a grant received from the Office of Elderly Affairs. At December 31, 2018, the Organization was operating under a grant through the Office of Elderly Affairs that terminates on June 30, 2019.

The Organization has a concentration of credit risk relevant to its receivable for the contract with the Ouachita Council on Aging.

NOTE 8 – SUBSEQUENT EVENTS

The Organization's management has evaluated subsequent events through June 21, 2019, the date which the financial statements were available for issue.

SUPPLEMENTARY INFORMATION

SENIOR CITIZENS OUTREACH ENTITY, INC.

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

For the Year Ended December 31, 2018

Agency Head Name: Catherine Washington, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 7,800.00
Transportation	20.04
Reimbursement for Office Expenses	<u>268.00</u>
Total	<u>\$ 8,088.04</u>

See Independent Accountants' Compilation Report

OTHER INFORMATION

SENIOR CITIZEN OUTREACH ENTITY, INC.
SCHEDULE OF FINDINGS AND RESPONSES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018

FINDINGS - FINANCIAL STATEMENTS REVIEW

There were no findings for the year ended December 31, 2018.

SENIOR CITIZENS OUTREACH ENTITY, INC.
SUMMARY OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

FINDINGS - FINANCIAL STATEMENTS REVIEW

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