

**BIG BROTHERS/BIG SISTERS  
OF SOUTHWEST LOUISIANA, INC.**

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT**

**Year Ended December 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Big Brothers/Big Sisters of  
Southwest Louisiana, Inc.  
Lake Charles, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Big Brothers/Big Sisters of Southwest Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, 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 our opinion, the financial statements present fairly, in all material respects, the financial position of Big Brothers/Big Sisters of Southwest Louisiana, Inc. as of December 31, 2024, 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.

#### ***Basis for Opinion***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Big Brothers/Big Sisters of Southwest Louisiana, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management of the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments is presented for purposes of additional analysis and is 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 Schedule of Compensation, Benefits and Other Payments 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 June 20, 2025, on our consideration of Big Brothers/Big Sisters of Southwest 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 solely 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 effectiveness of Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s 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 Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s internal control over financial reporting and compliance.

### **Report on Summarized Comparative Information**

We have previously audited Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 24, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Steven M. DeRouen & Associates, LLC

Lake Charles, Louisiana  
June 20, 2025

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**STATEMENT OF FINANCIAL POSITION**

**December 31, 2024  
with comparative totals for 2023**

**ASSETS**

	<b>2024</b>	<b>2023</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 833,700	\$ 1,044,528
Unconditional promises to give	61,210	24,306
Grants receivable	787	1,411
Contracts receivable	8,667	19,500
Certificate of deposit	227,454	231,473
Accrued video revenue	417	417
Prepaid expenses	56,983	51,284
Total current assets	<u>1,189,218</u>	<u>1,372,919</u>
<b>PROPERTY AND EQUIPMENT</b>		
Furniture and equipment	208,033	206,264
Building	991,435	991,435
	<u>1,199,468</u>	<u>1,197,699</u>
Less accumulated depreciation	<u>(602,857)</u>	<u>(541,813)</u>
	596,611	655,886
Land	20,052	20,052
Net property and equipment	<u>616,663</u>	<u>675,938</u>
<b>NONCURRENT ASSETS</b>		
Beneficial interest in the assets held by the Community Foundation of SWLA	<u>185,197</u>	<u>144,276</u>
Total noncurrent assets	<u>185,197</u>	<u>144,276</u>
<b>Total Assets</b>	<u><u>\$ 1,991,078</u></u>	<u><u>\$ 2,193,133</u></u>

The accompanying notes are an integral part of these financial statements.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**STATEMENT OF FINANCIAL POSITION**

**December 31, 2024  
with comparative totals for 2023**

**LIABILITIES**

	<b>2024</b>	<b>2023</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable-trade	\$ 32,817	\$ 35,815
Accrued expenses	21,725	34,586
Unrelated business income taxes payable	7,085	209
Contract fees liability	17,500	-
Total current liabilities	<u>79,127</u>	<u>70,610</u>
 Total liabilities	 <u>79,127</u>	 <u>70,610</u>
 <b>NET ASSETS</b>		
Without donor restrictions	1,704,254	1,976,428
With donor restrictions	207,697	146,095
Total net assets	<u>1,911,951</u>	<u>2,122,523</u>
 <b>Total Liabilities and Net Assets</b>	 <u><u>\$ 1,991,078</u></u>	 <u><u>\$ 2,193,133</u></u>

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**STATEMENT OF ACTIVITIES**

**Year Ended December 31, 2024  
with comparative totals for 2023**

	<b>2024</b>			<b>2023</b>
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>REVENUES, GAINS AND OTHER SUPPORT</b>				
United Way of Southwest Louisiana	\$ 68,377	\$ 10,000	\$ 78,377	\$ 83,945
Grants	288,767	12,500	301,267	507,301
Contract fees	168,500	-	168,500	84,000
Contributions	43,359	28,434	71,793	54,018
In-kind contributions	22,605	-	22,605	24,240
Investment earnings	12,264	5,939	18,203	16,118
Other	8,630	-	8,630	6,356
Bingo revenues, net of awards and progressive	662,191	-	662,191	593,376
Fund-raising/special events	143,866	-	143,866	115,648
Unrealized gain (loss) on investments	4,528	10,553	15,081	11,413
Total revenues and gains	<u>1,423,087</u>	<u>67,426</u>	<u>1,490,513</u>	<u>1,496,415</u>
Net assets released from restrictions	5,824	(5,824)	-	-
TOTAL REVENUES, GAINS AND OTHER SUPPORT	<u>1,428,911</u>	<u>61,602</u>	<u>1,490,513</u>	<u>1,496,415</u>
<b>EXPENSES AND LOSSES</b>				
Program service-community services	1,030,995	-	1,030,995	1,143,168
Management and general	147,928	-	147,928	162,684
Fund-raising/special events	164,044	-	164,044	196,629
Bingo	358,118	-	358,118	319,170
TOTAL EXPENSES AND LOSSES	<u>1,701,085</u>	<u>-</u>	<u>1,701,085</u>	<u>1,821,651</u>
<b>CHANGE IN NET ASSETS</b>	(272,174)	61,602	(210,572)	(325,236)
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>1,976,428</u>	<u>146,095</u>	<u>2,122,523</u>	<u>2,447,759</u>
<b>NET ASSETS AT END OF YEAR</b>	<u><u>\$ 1,704,254</u></u>	<u><u>\$ 207,697</u></u>	<u><u>\$ 1,911,951</u></u>	<u><u>\$ 2,122,523</u></u>

The accompanying notes are an integral part of these financial statements.



**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the year ended December 31, 2024  
with comparative totals for 2023**

	Program Services	Management and General	Fund Raising	Bingo	Total Program and Supporting Service Expense	
	2024				2024	2023
Activities	\$ 23,079	\$ -	\$ -	\$ -	\$ 23,079	\$ 34,469
Bank fees	442	66	44	-	552	1,093
Dues	24,942	3,741	2,494	-	31,177	39,038
FGP Program	67,763	-	-	-	67,763	97,061
Hospitality/health benefits	22,989	3,448	2,299	-	28,736	44,590
Insurance	59,053	8,858	5,905	3,363	77,179	63,926
Meeting and training	30,342	4,551	3,034	-	37,927	39,269
Miscellaneous	8,918	1,338	892	-	11,148	17,095
Other programs	16,383	-	-	-	16,383	379
Payroll taxes	36,483	6,174	8,146	5,324	56,127	63,208
Postage	168	25	17	-	210	48
Professional fees	68,173	10,226	6,817	-	85,216	62,207
Publicity and promotion	16,531	2,480	1,653	193	20,857	43,608
Rent and occupancy	37,812	5,672	3,781	126,406	173,671	154,503
Retirement	16,871	2,848	2,191	-	21,910	21,534
Salaries	483,213	81,775	115,994	62,423	743,405	864,176
Security	-	-	-	12,122	12,122	10,568
Supplies	36,650	5,498	3,665	102,646	148,459	119,646
Taxes and licenses	-	13	-	45,275	45,288	38,164
Telephone	8,726	1,309	873	-	10,907	10,487
Travel and transportation	11,345	1,702	1,134	-	14,181	20,868
Utilities	5,861	879	586	-	7,326	7,487
Volunteer Screening	6,418	-	-	-	6,418	6,169
Total before depreciation and other expense	982,160	140,602	159,527	357,752	1,640,041	1,759,593
Depreciation	48,835	7,325	4,518	366	61,044	62,058
<b>TOTAL EXPENSES</b>	<b>\$ 1,030,995</b>	<b>\$ 147,928</b>	<b>\$ 164,044</b>	<b>\$ 358,118</b>	<b>\$ 1,701,085</b>	<b>\$ 1,821,651</b>

The accompanying notes are an integral part of these financial statements.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**STATEMENT OF CASH FLOWS**

**Year Ended December 31, 2024  
with comparative totals for 2023**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ (210,572)	\$ (325,236)
Adjustments to reconcile change in net assets to net cash provided by (used) by operating activities		
Depreciation	61,044	62,058
(Increase) decrease in operating assets		
Grants receivable	624	(948)
Contracts receivable	10,833	(11,000)
Prepaid expenses	(5,699)	1,423
Unconditional promises to give	(36,904)	9,774
Prepaid income tax	-	3,023
Increase (decrease) in operating liabilities		
Accounts payable-trade	(2,998)	(18,347)
Contract fees liability	17,500	-
Accrued expenses	(12,861)	(3,369)
Income tax payable	6,876	209
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>(172,157)</u>	<u>(282,413)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Redemption of certificate of deposit	4,019	-
Purchase of certificate of deposit	-	(231,473)
Fixed asset acquisitions	(1,769)	(37,971)
Cash additions to beneficial interest	(40,921)	(23,296)
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<u>(38,671)</u>	<u>(292,740)</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 (210,828)	 (575,153)
 <b>BEGINNING CASH AND CASH EQUIVALENTS</b>	 <u>1,044,528</u>	 <u>1,619,681</u>
 <b>ENDING CASH AND CASH EQUIVALENTS</b>	 <u><u>\$ 833,700</u></u>	 <u><u>\$ 1,044,528</u></u>

Supplemental Disclosure:

Income tax paid in year ended December 31, 2024 was \$37,874.

Income tax paid in year ended December 31, 2023 was \$37,364.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements**

**December 31, 2024**

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

The financial statements of Big Brothers/Big Sisters of Southwest Louisiana, Inc. have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

1. Organization and Purpose

Big Brothers/Big Sisters of Southwest Louisiana, Inc. is a not-for-profit organization whose main purpose is to provide children from single-parent homes with the confidence and desire to develop into loving and productive adults through the warmth and friendship of a caring adult volunteer. The Organization's purpose is carried out through their office located in Southwest Louisiana.

2. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic, *Financial Statements of Not-for-Profit Organizations*. In accordance with this guidance, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

3. Cash and Cash Equivalent

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

4. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amount of assets and liabilities, 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.

5. Property and Equipment

The Organization follows the practice of capitalizing all furniture and fixtures acquired in excess of \$1,000. Donated fixed assets are recorded as support at their estimated fair value at the date of donation; all other fixed assets are recorded at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Depreciation amounted to \$61,044 for the year ended December 31, 2024, based on an estimated useful life of five years for equipment and forty years for buildings.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements**

**December 31, 2024**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**6. Net Assets**

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets available subject to donor-imposed or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Net assets with donor restrictions are restricted for the following purposes or periods:

Subject to expenditure or deliverables for specified purpose:

Endowment fund within Community Foundation	\$	185,197
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Subject to the passage of time:

Chenier Foundation – Mentor U Program	12,500
United Way of Southwest Louisiana	10,000
	<hr/>
	\$ 207,697

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**7. Concentration of Revenue and Support**

The Organization receives funding from the United Way of Southwest Louisiana, individual contributions, fundraisers, grants, bingo revenues, interest, and other income. A majority of the revenue for the Organization's programs is provided by bingo revenues (44%), federal, state, and private grants and contract fees (40%), and contributions/fundraising including funding from the United Way of Southwest Louisiana (17%). If the Organization no longer held the bingo sessions, or there were significant reductions in amounts received in funding or by donors, the operations of the Organization could be adversely impacted.

**8. Advertising Costs**

Advertising costs are charged to operations when incurred. For the year ended December 31, 2024, the Organization incurred \$20,857 in publicity and promotion costs.

**9. Revenue Recognition**

Big Brothers Big Sisters of SWLA, Inc. adopted Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, or Accounting Standards Codification Topic 606 ("ASC 606"). The guidance outlines a single, comprehensive model for accounting for revenue in exchange transactions from contracts with customers. The Organization's revenue derived from exchange transactions are for services performed under terms of various contracts, gaming, and special event revenue. The Organization applied Topic 606 to its revenue derived from exchange transactions as follows:

*Transaction price* - The transaction price of contract revenue and special event revenue are based on the cost expended to provide such goods and services.

*Performance obligations* – The Organization has identified the following performance obligations in exchange transactions: (1) services under terms of various contracts; and (2) fundraising services to obtain donations. The Organization applies the principles of materiality in the determination of the performance obligations.

Contract fee revenues are recognized over the time in which the support performance obligations are met. Contract payments are made the following month after billing and support performance documents have been submitted to the contractor. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting. Fundraising revenues representing reciprocal transfers (exchange transactions) are recognized when the performance obligation is satisfied. The Organization's estimate of the transaction price is determined based on the cost expended to provide such goods or services.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**9. Revenue Recognition (Continued)**

Bingo revenues, which includes \$1,014,531 in gross revenues netted against \$352,340 in awards, are recognized when based on the outcome of an event either (1) the Organization retains the amount wagered by the customer or (2) the wager is returned to the customer along with an additional amount effectively representing the Organizations side of the wager in the agreement.

The following table presents the Organization's net revenue disaggregated based on the revenue source:

<u>For the year ended December 31,</u>	<u>2024</u>	<u>2023</u>
Contract fee income	\$ 168,500	\$ 84,000
Bingo revenues, net of awards and progressive	662,191	593,376
Fundraising event exchange transactions	42,021	17,401
Total revenue from contracts with customers	<u>\$ 872,712</u>	<u>\$ 694,777</u>

The following table presents the Organization's contract balances based on revenue from contracts with customers:

	<u>2024</u>	<u>2023</u>
Receivables from contracts	\$ 8,667	\$ 19,500
Liabilities from contracts	17,500	-

**10. Contributed Goods and Services**

FASB ASC 958-605-50-1 states that for donated services to be recognized in the financial statements, the services must either (a) create or enhance a nonfinancial asset or (b) be specialized skills, provided by entities or persons possessing those skills that would be purchased if not donated. During the year, the value of these contributed services which consisted of advertising totaled \$11,575 and met the requirements for recognition in the financial statements. Donated goods which are recorded at fair market value include fundraiser prizes and supplies as well as foster grandparent program meals totaling \$11,030.

**11. Comparative Totals**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**12. Receivables**

Grant and contract revenue are typically on cost-reimbursement arrangements and revenue is recognized after the program expenditures have been incurred. As such, the Organization recognizes revenue and records a receivable for the reimbursement amount from the respective agency. Grants and contracts receivable are stated at net realizable value. In determining whether or not to record an allowance for doubtful accounts, management makes a judgmental determination based on an evaluation of the facts and circumstance related to each account. At December 31, 2024, the Organization considers all receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to the change in net assets when the determination is made.

**NOTE B - FAIR VALUES OF FINANCIAL INSTRUMENTS**

The Organization has a number of financial instruments, none of which are held for trading purposes. The Organization estimates that the fair value of all financial instruments as of December 31, 2024, do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Organization using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value, and, accordingly, the estimates are not necessarily indicative of the amounts that the agency could realize in a current market exchange. The recorded values of cash and cash equivalents, grants receivable, contracts receivable, unconditional promises to give, accrued video revenue, prepaid expenses, accounts payable, accrued expenses, unrelated business income taxes payable, and contract fees liability approximate their fair values based on their short-term nature. The recorded values of notes payable approximate their fair value, as interest is insignificant.

**NOTE C - FUNCTIONAL ALLOCATION OF EXPENSES**

Expenses were allocated in the accompanying financial statements to program and support services functional expense groups. The methods of allocation were based on the Organization's estimates of the relative proportion of various staff members' time and effort between program and support services as well as the Organization's estimates of the amount of each expense utilized for program or support service functions.

**NOTE D - RETIREMENT PLAN**

The Organization participated in a defined contribution retirement plan that covers all full-time employees fulfilling the eligibility requirements set by the plan underwriter. Contributions to the plan were three percent (3%) of gross wages during 2024 and amounted to \$21,910.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE E – BENEFICIAL INTEREST IN ASSETS**

During 2018, the Organization transferred \$10,000 of assets to the Community Foundation of Southwest Louisiana (the “Foundation”) which is holding them as an endowed component fund (“Fund”) for the benefit of non-related charitable organizations. During 2020, the Organization transferred an additional \$7,500 of assets to the Foundation. The Organization has granted the Foundation variance power which gives the Foundation’s Board of Trustees the power to use the Fund for the Foundation’s charitable purposes. The Fund is subject to the Foundation’s investment and spending policies which currently result in a distribution of 5% of the Fund as of the end of each calendar quarter. Any distributions from the Fund cannot cause the fair value of the Fund to drop below its Historic Dollar Value of \$17,500. The Organization has the ability to request termination of this agreement at any time. The Community Foundation of Southwest Louisiana charges a 0.25% quarterly administrative fee. During 2024, the endowed component fund was closed and the balance was transferred to the designated beneficiary fund as described below.

Changes in the Fund for the year ended December 31, 2024 and 2023 are as follows:

<b>Balance as of January 1, 2023</b>	\$ 20,381
Amounts invested in the Fund	-
Share of appreciation of Fund	2,222
Administration Fees	(589)
Distributions made from Fund	-
<b>Balance as of December 31, 2023</b>	\$ 22,014
Amounts invested in the Fund	408
Share of appreciation of Fund	437
Administration Fees	(42)
Distributions made from Fund	22,817
<b>Balance as of December 31, 2024</b>	\$ -

During 2022, the Organization transferred \$100,000 of assets to the Community Foundation of Southwest Louisiana (the “Foundation”) to establish a designated beneficiary endowment fund (“Fund”) for the benefit of the Organization. The agreement states that the transfer is irrevocable and that the assets will not be returned to the Organization. However, the Community Foundation will make distributions of income earned on the funds to the Organization, subject to the Foundation’s spending policy. The Organization has granted the Foundation variance power which allows the Foundation to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization, if in the sole judgement of the Foundation’s Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community.

The Fund is subject to the Foundation’s investment and spending policies which currently result in a distribution to the Organization of 5% of the average quarterly value of the previous four quarters. The Organization reports the fair value of the Fund as Beneficial Interest in Assets Held by the Community Foundation of SWLA in the statement of financial position and reports distributions received as investment income. Changes in value of the Fund are reported as gains or losses in the statement of activities.



**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE E – BENEFICIAL INTEREST IN ASSETS (continued)**

Changes in the Fund for the year ended December 31, 2024 and 2023 are as follows:

<b>Balance as of January 1, 2023</b>	\$ 100,599
Amounts (gifts) invested in the Fund	11,884
Share of appreciation of Fund	10,647
Administration Fees	(868)
Distributions made from Fund	-
<b>Balance as of December 31, 2023</b>	\$ 122,262
Amounts (gifts) invested in the Fund	48,655
Share of appreciation of Fund	16,055
Administration Fees	(1,367)
Distributions made from Fund	(408)
<b>Balance as of December 31, 2024</b>	\$ 185,197

The summary of changes in fair value of the beneficial interest in the assets held by the Community Foundation of SWLA has been prepared to reflect the activity in the same categories as those provided by the Community Foundation of SWLA at the measurement date. The estimated fair values of the beneficial interest held by the Community Foundation is determined by management of the Community Foundation and may not reflect amounts that ultimately may be realized. Accordingly, the estimated fair values may differ from the values that would have been used had a ready market existed for these interests. Net investment performance includes realized and unrealized gains (losses) on investments, investment income, and administrative fees and is included in change in value of beneficial interest in assets held by others in the accompanying statements of activities. Typically, distributions decrease the Organization's respective financial asset and increase cash at the time of distribution.

**NOTE F – INVESTMENTS**

The Organization applies GAAP for fair value measurements of financial assets that are recognized at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair market hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Organization has the ability to access.

Level 2 inputs are inputs (other than quoted prices in Level 1) that are observable for the asset or liability, either directly or indirectly.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE F – INVESTMENTS (Continued)**

Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available).

*Beneficial interest in assets held by the Community Foundation of SWLA:* The fair value of the Organization's beneficial interest in assets held by the Community Foundation of SWLA is based on the fair value of fund investments as reported by the Community Foundation of SWLA. The beneficial interest is not actively traded and significant other observable inputs are not available, therefore, it is considered to be a level 3 investment. See Note E for a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (level 3) for the year ending December 31, 2024.

The beneficial interest in assets classified at level 3 and held at the Community Foundation of SWLA has been valued, as a practical expedient, at the fair value of the Organization's share of the Foundation's investment pool as of the measurement date. The Foundation values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the Foundation, which includes private placements and other securities for which prices are not readily available, are determined by the management of the Foundation and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately be realized. Accordingly, these estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments.

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificate of Deposit Investment	\$ 227,454	\$ -	\$ 227,454	\$ -
Beneficial Interest in Assets	185,197	-	-	185,197

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE F – INVESTMENTS (Continued)**

As of December 31, 2024, the Organization's investments measured on a recurring basis consisted of investments (Level 2) and beneficial interest in assets (Level 3) with fair market value and cost bases as follows:

	<u>Amortized Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Certificate of Deposit Investment (Level 2 Observable Inputs)	\$ 227,454	\$ 227,454	\$ -
Beneficial Interest in Assets (Level 3 Unobservable Inputs)	169,286	185,197	15,911

As of December 31, 2023, the Organization's investments measured on a recurring basis consisted of investments (Level 2) and beneficial interest in assets (Level 3) with fair market value and cost bases as follows:

	<u>Amortized Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Certificate of Deposit Investment (Level 2 Observable Inputs)	\$ 231,473	\$ 231,473	\$ -
Beneficial Interest in Assets (Level 3 Unobservable Inputs)	129,384	144,276	14,892

**NOTE G – LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization has \$1,131,818 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of substantially cash of \$833,700, unconditional promises to give of \$61,210, grants receivable of \$787, contracts receivable of \$8,667, and a certificate of deposit of \$227,454. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. The unconditional promises to give are subject to implied time restrictions but are expected to be collected within one year. The Organization has a goal to maintain financial assets which consist of cash on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$275,000. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, the Organization deposits cash in excess of daily requirements in its interest-bearing savings accounts.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE H - COMPENSATED ABSENCES**

Employees of Big Brothers/Big Sisters of Southwest Louisiana, Inc. are entitled to paid vacation and personal days off depending on job classification, length of service and other factors. The value of these compensated absences is calculated based on the employee's pay rate at the end of the year. Accrued compensated absences totaled \$17,354 as of December 31, 2024.

**NOTE I - INCOME TAXES**

Big Brothers/Big Sisters of Southwest Louisiana, Inc. was incorporated under the laws of the state of Louisiana. The Organization is operated exclusively for charitable services and has qualified for the exemption from Federal income taxes under Section 501 (c) (3) of the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509 (a) of the Code. The Organization is subject to income tax on unrelated business income which includes the net pull tab profit received from the bingo operations. Income tax amounted to \$44,749 for the year ended December 31, 2024. Big Brothers/Big Sisters of Southwest Louisiana, Inc. is required to file the applicable Form 990, *Return of Organization Exempt from Income Tax*, and Form 990-T, *Exempt Organization Business Income Tax Return*. Returns are subject to examination by the IRS, generally for three years after they are filed.

**NOTE J - UNCONDITIONAL PROMISES TO GIVE**

During the year ended December 31, 2024, the Organization received its United Way allocation of \$20,000 for the period July 2024 through June 2025. The receivable of \$61,210 consists of the allocation amount of \$10,000 from January 2025 through June 2025 along with \$51,210 of contributions collected by the United Way which are designated to the Organization. The allocation is donor restricted as to time of receipt and is properly reflected in the accompanying Statement of Activities as an increase in donor restricted net assets. Uncollectible allocations are expected to be insignificant.

**NOTE K - LEASES**

The Organization conducts its bingo sessions at various facilities. Rent is paid for each bingo session held. The lease is renewed annually and lease expense totaled \$45,400 for the year ended December 31, 2024.

Effective, June 1, 2022, the Organization entered into a twelve-month lease for its DeRidder, Louisiana office. Beginning on June 1, 2023, the lease was converted to a month-to-month basis at \$880 per month until the lease was cancelled in September 2024. Lease expense totaled \$7,920 for the year ended December 31, 2024.

The Organization has made a policy election to not report lease contracts of 12 months or less in accordance with ASC 842 guidelines. The leases in force at time of audit are for 12 months and fit this criterion.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE L – CASH AND CASH EQUIVALENTS**

The Organization maintains the following cash accounts:

		December 31, 2024		December 31, 2023
Petty Cash Accounts	\$	-	\$	260
Operating Account		146,264		339,047
Savings Account		529,321		507,099
* Bingo/Pull Tab Accounts	\$	158,115	\$	198,122

\* The Organization is required to maintain a separate bank account for the gaming accounts.

**NOTE M - FUND-RAISING EXPENSE**

Fund-raising expenses related to the Bowl for Kids' Sake (BFKS), Bags and Brews, Jace Peterson Pro Classic Fishing Tournament, and the golf tournament events totaled \$83,339 or 37% of the total special events revenues. Special events are shown net of these costs on the Statement of Activities for the year ended December 31, 2024. The amount of salaries and related payroll taxes, and other expenses allocated to fund-raising are not included in the above total.

**NOTE N – CONTINGENCIES**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agency reviews. Any disallowed expenditures, including amounts already collected, may constitute a liability. Management is not aware of any disallowed expenditures as of December 31, 2024.

**NOTE O - CONCENTRATION OF RISK**

Big Brothers/Big Sisters of Southwest Louisiana, Inc. maintains cash balances at several financial institutions located in Southwest Louisiana. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC), based on balances and interest rate terms. Amounts held in financial institutions occasionally are in excess of Federal Deposit Insurance Corporation limits. The Organization deposits its cash with high quality financial institutions, and management believes the organization is not exposed to significant credit risk on those amounts.

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of promises to give receivable, grants receivable, contracts receivable, and \$185,197 in beneficial interest in assets held by the Community Foundation of SWLA. Amounts receivable from promises to give as of December 31, 2024 consist of \$61,210 from the United Way of Southwest Louisiana. Contracts receivable as of December 31, 2024 consist of \$1,667 from the Calcasieu Parish Police Jury and \$7,000 from the State of Louisiana. Grants receivable consist of \$787 from the Louisiana Children's Trust Fund.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Notes to Financial Statements  
December 31, 2024**

**NOTE P - SUBSEQUENT EVENT**

The Organization evaluated its December 31, 2024 financial statements for subsequent events through the date of the audit report, the date the financial statements were available to be issued. The Organization is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

# STEVEN M DEROUEN & ASSOCIATES LLC

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Member Louisiana Society of  
Certified Public Accountants

## **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  
Big Brothers/Big Sisters of Southwest Louisiana, Inc.  
Lake Charles, LA

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 Big Brothers/Big Sisters of Southwest Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, 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 June 20, 2025.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Big Brothers/Big Sisters of Southwest 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.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Big Brothers/Big Sisters of Southwest Louisiana, Inc.'s financial statements are free from 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.

Steven M. DeRouen & Associates, LLC

Lake Charles, Louisiana  
June 20, 2025



**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**SCHEDULE OF FINDINGS AND RESPONSES**

**Year Ended December 31, 2024**

We have audited the financial statements of Big Brothers/Big Sisters of Southwest Louisiana, Inc. for the year ended December 31, 2024, and have issued our report thereon dated June 20, 2025. 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. Our audit of the financial statements as of December 31, 2024 resulted in an unmodified opinion.

**Section I – Summary of Auditor’s Report**

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness ☐ Yes ☒ No Other Conditions Yes ☐ No ☒

Compliance

Compliance Material to Financial Statements ☐ Yes ☒ No

**Section II – Financial Statement Findings**

There were no current year financial statement findings.

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**SCHEDULE OF PRIOR AUDIT FINDINGS**

**Year Ended December 31, 2024**

**NONE**

**Big Brothers/Big Sisters of Southwest Louisiana, Inc.**

**Schedule of Compensation, Benefits and Other Payments to Executive Director**

**Paid from Public Funds**

**December 31, 2024**

NO COMPENSATION PAID FROM PUBLIC FUNDS

**Agency Head Name: Jillian Cormier, Executive Director**

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 0.00
Benefits-health insurance	0.00
Benefits-retirement	0.00
Benefits-Life, ADD, LTD	0.00
Car allowance	0.00
Vehicle provided by government	0.00
Per diem	0.00
Reimbursements – Auto Mileage Reimb	0.00
Travel	0.00
Registration fees	0.00
Conference travel	0.00
Continuing professional education fees	0.00
Housing	0.00
Unvouchered expenses	0.00
Special meals	0.00