

**ALGIERS ECONOMIC
DEVELOPMENT FOUNDATION, INC.**

FINANCIAL STATEMENTS

As of and For The Year Ended June 30, 2019

Sean M. Bruno
Certified Public Accountants

Algiers Economic Development Foundation, Inc.

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June 30, 2019

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Sean M. Bruno
Certified Public Accountants

Member
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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of
Algiers Economic Development Foundation, Inc.
New Orleans, LA

Management is responsible for the accompanying financial statements of **Algiers Economic Development Foundation, Inc.** (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to 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. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The accompanying supplementary schedule of compensation, benefits and other payments made to agency head on page 9 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.


Sean M. Bruno CPAs
New Orleans, Louisiana

December 31, 2019

ALGIERS ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019

ASSETS

ASSETS:

Cash and cash equivalents (NOTE 1)	\$ 7,551
Grants receivable	39,944
Accounts receivable	2,960
Other assets	1,013
Property, plant and equipment, net (NOTE 1)	<u>-</u>
TOTAL ASSETS	<u>\$ 51,468</u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts payable and accrued liabilities	\$ 575
Payroll liabilities	<u>3,028</u>
TOTAL LIABILITIES	<u>3,603</u>

NET ASSETS:

Without donor restrictions (NOTE 1)	44,917
With donor restrictions (NOTE 1)	<u>2,948</u>
TOTAL NET ASSETS	<u>47,865</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 51,468</u>

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

ALGIERS ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Support:			
Grants	\$ 2,000	\$ 104,292	\$ 106,292
Program Income	85,790	-	85,790
Donations	8,081	-	8,081
Membership dues	945	-	945
Net asset released from purpose and time restrictions	104,292	(104,292)	-
Total revenues and support	<u>201,108</u>	<u>-</u>	<u>201,108</u>
Expenses:			
Program services:			
Economic growth encouragement	152,980	-	152,980
Support services:			
Management and general	44,439	-	44,439
Total expenses	<u>197,419</u>	<u>-</u>	<u>197,419</u>
Changes in net assets	3,689	-	3,689
Net assets - beginning of year	<u>41,228</u>	<u>2,948</u>	<u>44,176</u>
Net assets at end of year	<u>\$ 44,917</u>	<u>\$ 2,948</u>	<u>\$ 47,865</u>

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

ALGIERS ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Advertising	\$ 557	\$ -	\$ 557
Business Luncheon expenses	5,299	-	5,299
Contract services	-	9,631	9,631
Dues and subscriptions	-	2,785	2,785
Insurance	-	9,231	9,231
Travel and meetings	435	370	805
Miscellaneous	-	621	621
Office expenses	-	4,486	4,486
Personnel expenses	100,273	8,873	109,146
Program expenses	46,416	-	46,416
Rent	-	8,442	8,442
Total expenses	<u>\$ 152,980</u>	<u>\$ 44,439</u>	<u>\$ 197,419</u>

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

ALGIERS ECONOMIC DEVELOPMENT FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

Cash Flows From Operating Activities

Change in net assets	\$ 3,689
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Decrease in accounts receivables	29,076
Increase in grants receivable	(39,943)
Decrease in accounts payable and other liabilities	<u>(1,606)</u>
Net cash used by operating activities	<u>(8,784)</u>
Net decrease in cash and cash equivalents	(8,784)
Cash and cash equivalents - July 1, 2018	<u>16,335</u>
Cash and cash equivalents - June 30, 2019	<u><u>\$ 7,551</u></u>

The accompanying notes are an integral part of these financial statements

Algiers Economic Development Foundation, Inc.
Notes to Financial Statements

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The Algiers Economic Development Foundation, Inc. (AEDF), a nonprofit organization, was organized to foster economic growth of the Algiers community. Through leadership, innovation and collaboration, the AEDF engages the Algiers business community, civic and community partners, elected officials, and regional partners in proactive business initiatives that foster Algiers' growing business environment and establish a sustainable community to create opportunities for Algiers' residents and neighborhoods to thrive and grow.

Basis of Accounting

AEDF prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

For the year ended June 30, 2019, (AEDF) followed the requirements of Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, in the presentation of its financial statements. The purpose of the FASB ASC 2016-04 is to improve the financial reporting of those entities. Among other provisions, this ASC reduces the number of classes of net assets from three to two, requiring the presentation of expenses in both natural and functional classifications, and requiring additional disclosures concerning liquidity and the availability of financial resources. This standard is effective for fiscal years beginning after December 31, 2017 and requires the use of the retrospective transition method. (AEDF) adopted this standard for the year ended June 30, 2019 and its implementation is reflected in the financial statements.

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

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

At June 30, 2019, AEDF have \$ 2,948 of net assets with donor restrictions.

Use of Estimates

The preparation of the AEDF's financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues and disclosure of contingent assets and liabilities. Adjustments to the reported amounts of assets and liabilities may be necessary in the future to the extent that future estimates or actual results are different from the estimates used in the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents represent demand deposits and other investments with original maturities of three months or less.

Accounts Receivable

AEDF signed a cooperative endeavor agreement with the City of New Orleans to reimburse AEDF for expenses related to events held to promote economic growth in the Algiers community. Accounts receivable as of June 30, 2019 consisted of amounts due from the City of New Orleans for this cooperative endeavor agreement. Management believes all amounts are collectible; therefore, no allowance for doubtful accounts is recorded.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed Assets

Fixed assets are stated at cost, with the exception of donated items, which are stated at fair market value at the date of donation. It is AEDF's policy to capitalize expenditures for items in excess of \$1,000 with a useful life of at least 3 years. Lesser amounts and expenses that do not extend the assets useful life are expensed as incurred. AEDF uses the straight-line depreciation method over the useful lives of its property. Office furniture is depreciated over 7 years. There was no depreciation expense for the year ended June 30, 2019 as all fixed assets were fully depreciated as of year-end June 30, 2015.

Other Assets

Other assets consisted of the rent damage deposit for the AEDF office space.

Revenue and Deferred Revenue

Sponsorships and ticket sales (program income) for special events are recognized as revenue when the event is held. Grant revenue relates to the cooperative endeavor agreement with the City of New Orleans and is recognized as expenses are incurred.

Income Tax Status

Under the provisions of the Internal Revenue Code Section 501(c)(3), and the applicable income tax regulations of Louisiana AEDF is exempt from taxes on income other than unrelated business income. For the year ended June 30, 2019, AEDF had no unrelated business income. Management believes there are no uncertainties included in the accompanying financial statements.

Advertising

AEDF expenses advertising costs as incurred. There was \$557 in advertising expense incurred for the year ended June 30, 2019.

NOTE 2 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 31, 2019, 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.

Supplementary Information

Algiers Economic Development Foundation, Inc.
Schedule of Compensation, Benefits And Other Payments Made To Agency Head
For the Year Ended June 30, 2019

Agency Head Name: Derrick O'Brien Martin, Executive Director

PURPOSE	AMOUNT
Salary	\$ 88,700
Benefits-health insurance	6,000
Benefits-retirement	
Deferred compensation	
Workers comp	
Benefits-life insurance	
Benefits-long term disability	
Benefits-Fica and Medicare	
Car allowance	
Vehicle provided by government	
Cell phone	
Dues	
Vehicle rental	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Unvouchered expenses	
Meetings and conventions	
Other	
Total	\$ 94,700

See independent accountants' compilation report.