

CRIME STOPPERS OF LAKE CHARLES, INC.

Financial Statements and
Independent Accountant's Compilation Report

For the year ended December 31, 2016

CONTENTS

	PAGE
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT	3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11
SUPPLEMENTARY INFORMATION	
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	13

Tax

Accounting

Financial Planning and Forecasting

Management Advisory Services

Small Business Accounting Services

MEMBER

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

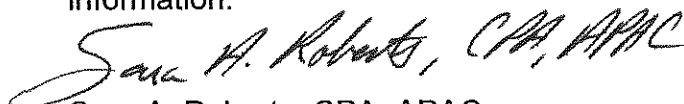
To the Board of Directors
Crime Stoppers of Lake Charles, Inc.
Lake Charles, Louisiana

Sara A. Roberts
CPA



Management is responsible for the accompanying financial statements of Crime Stoppers of Lake Charles, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities 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. I have performed a compilation engagement in accordance with Statements on Standards for 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 accompanying schedule of compensation, benefits, and other payments to the agency head or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.


Sara A. Roberts, CPA, APAC
Lake Charles, Louisiana

June 14, 2017

Crime Stoppers of Lake Charles, Inc.

STATEMENT OF FINANCIAL POSITION

December 31, 2016

ASSETS

Cash, Operating	\$	16,579
Cash, Act 50		48,136
Certificates of deposit, Operating		56,091
Certificate of deposit, Act 50		58,563
Receivables, state and local governments		<u>2,125</u>
Total assets	\$	<u><u>181,494</u></u>

LIABILITIES AND NET ASSETS

NET ASSETS

Unrestricted net assets		
Operating	\$	69,154
Board designated		<u>3,516</u>
		72,670
Temporarily restricted net assets		<u>108,824</u>
Total liabilities and net assets	\$	<u><u>181,494</u></u>

See accompanying notes and independent accountant's compilation report.

Crime Stoppers of Lake Charles, Inc.

STATEMENT OF ACTIVITIES

For the year ended December 31, 2016

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Support			
Contributions	\$ 10,073	\$ -	\$ 10,073
State and local government (Act 50)	-	34,918	34,918
Net assets released from restrictions	21,705	(21,705)	-
	<u>31,778</u>	<u>13,213</u>	<u>44,991</u>
Revenue			
Interest income	1,058	-	1,058
	<u>1,058</u>	<u>-</u>	<u>1,058</u>
Total support and revenue	32,836	13,213	46,049
EXPENSES			
Program services			
Payoffs	100		100
General and administrative			
Annual banquet	2,064	-	2,064
Gifts and Awards	2,307	-	2,307
Insurance	1,499	-	1,499
Office expenses	336	-	336
Outside services	3,000	-	3,000
Professional fees	2,500	-	2,500
Telephone	20,609	-	20,609
	<u>32,315</u>	<u>-</u>	<u>32,315</u>
Total expenses	<u>32,415</u>	<u>-</u>	<u>32,415</u>
CHANGE IN NET ASSETS	421	13,213	13,634
NET ASSETS, BEGINNING OF YEAR	<u>72,249</u>	<u>95,611</u>	<u>167,860</u>
NET ASSETS, END OF YEAR	<u>\$ 72,670</u>	<u>\$ 108,824</u>	<u>\$ 181,494</u>

See accompanying notes and independent accountant's compilation report.

Crime Stoppers of Lake Charles, Inc.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from contributors	\$ 10,073
Cash received from state and local governments	34,866
Interest received	1,058
Cash paid to suppliers and informants	<u>(32,415)</u>
Net cash provided by operating activities	13,582
CASH FLOWS FROM INVESTING ACTIVITIES	
Deposits to certificates of deposit	<u>(1,040)</u>
Net cash used for investing activities	<u>(1,040)</u>
Net increase in cash and equivalents	12,542
Cash and equivalents at beginning of year	<u>52,173</u>
Cash and equivalents at end of year	<u>\$ 64,715</u>
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Increase in net assets	\$ 13,634
Adjustments to reconcile net assets to net cash provided by (used in) operating activities:	
Decrease (increase) in accounts receivable	<u>(52)</u>
Net cash provided by operating activities	<u>\$ 13,582</u>

See accompanying notes and independent accountant's compilation report.

Crime Stoppers of Lake Charles, Inc.
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Crime Stoppers of Lake Charles, Inc. is a corporation organized under the laws of the State of Louisiana for the purpose of promoting community welfare and lessening the burdens of law enforcement agencies by assisting in the apprehension and conviction of criminals through making funds available for use in offering rewards.

Financial Statement Presentation

The accompanying financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America. Revenue is recognized when earned and expenses when incurred. The presentation follows the recommendation of the Financial Accounting Standards Board under which the Organization is required to report information regarding its financial position and activities to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Unrestricted net assets are not subject to donor-imposed stipulations, or the donor-imposed stipulations have expired. The Organization's unrestricted net assets are composed of the following:

Operating: Net assets that are available to fulfill the purpose and administration of the Organization.

Board Designated: Net assets that are designated by the Board and represent unrestricted funds that have been set-aside for a designated purpose.

Temporarily restricted net assets consist of donor-restricted contributions. Amounts restricted by the donor, grantor or other outside party for a particular purpose are recognized as revenue when received and such amounts are reported as temporarily restricted net assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization had temporarily restricted net assets of \$108,824 at December 31, 2016.

Continued

Crime Stoppers of Lake Charles, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (continued)

Permanently restricted net assets are those net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

Subsequent Events

The Organization has evaluated subsequent events through June 14, 2017, the date on which the financial statements were available to be issued. There were no events noted that required disclosure in these financial statements.

Use of Estimates

The preparation of financial statements for the Organization in conformity with generally accepted accounting principles requires the use of management's 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. Accordingly, actual results could differ from those estimates.

Income Taxes

Crime Stoppers of Lake Charles, Inc. is an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is presented on the statement of activities. 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. Currently, the Organization engages in no activities that would be taxed as unrelated business income. The Organization has identified its tax status as a tax-exempt entity as its only significant tax position; however, the Organization has determined that such a position does not result in an uncertainty requiring recognition. The Organization is not currently under examination by any taxing jurisdiction. Federal tax returns are generally open for examination for three years following the date filed.

continued

Crime Stoppers of Lake Charles, Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services

Crime Stoppers of Lake Charles, Inc. receives free advertising from several companies. The values for these donated services cannot be reasonably determined.

Cash and Cash Equivalents

The Organization considers all liquid investments with an original maturity of three months or less to be cash equivalents.

Certificates of Deposit

Certificates of deposit are carried at market value.

Receivables

The Organization considers all receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If an amount becomes uncollectible, it will be expensed in the period the determination is made.

Environmental Matters

As of December 31, 2016, the Organization is not aware of any violation with respect to environmental issues that need to be considered.

Crime Stoppers of Lake Charles, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE B – TEMPORARILY RESTRICTED NET ASSETS AND BOARD DESIGNATED FUNDS

As of December 31, 2016, temporarily restricted net assets are available for the following purposes or periods:

Purpose restrictions:

Act 50 - Paying rewards, operation of a hotline used for receiving information, and for other purposes directly related to obtaining information on criminal activities

\$ 34,918

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Purpose restriction accomplished:

Act 50 - purposes directly related to obtaining information on criminal activities:

\$ 21,705

Board designated funds are designated for the purpose of issuing rewards for information leading to the conviction of a criminal whose act was arson. The balance as of December 31, 2016 was \$3,516.

NOTE C – SUPPORT CONCENTRATION

During the year ended December 31, 2016, the Organization received 76% of its support from collections received from state and local governments in connection with Act 50 of the 2002 Regular Legislative Session, which amended the Code of Criminal Procedure Article 895.4. Act 50 mandates that all courts assess an additional cost of court of two dollars per offense from anyone convicted of any criminal or traffic offense in any district, parish, city or mayor's court and where a crime stoppers organization exists.

Crime Stoppers of Lake Charles, Inc.
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE D- ACT 50 FUND

The Organization's funding for 2016 was provided by contributions from the general public, violation collections from local courts, and collections received from state and local governments in connection with Act 50 of the 2002 Regular Legislative Session, which amended the Code of Criminal Procedure Article 895.4. Act 50 mandates that all courts assess an additional cost of court of two dollars per offense from anyone convicted of any criminal or traffic offense in any district, parish, city or mayor's court and where a crime stoppers organization exists. The Organization began receiving funds as a result of this Act in October 2002. Funds received under this Act are classified as temporarily restricted until the purpose restriction is accomplished. The crime stopper organization must deposit these funds into a separate bank account to be used solely for expenditures directly related to obtaining information on criminal activities.

NOTE E -- FUNCTIONAL ALLOCATION OF EXPENSES

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

SUPPLEMENTARY INFORMATION

Crime Stoppers of Lake Charles, Inc.

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the year ended December 31, 2016

Agency Head

Name

Title

Megan Gregory

Treasurer

Purpose

Salary	\$	3,000
Benefits-Insurance		-
Benefits-Retirement		-
Car Allowance		-
Vehicle Provided by Government		-
Per Diem		-
Reimbursements		-
Travel		-
Registration Fees		-
Conference Travel		-
Housing		-
Unvouchered Expenses		-
Special Meals		-
Other		-

See independent accountant's compilation report.