



**ST. JAMES COUNCIL ON AGING
DECEMBER 31, 2016**



*"St. James Parish Council on Aging Mission Statement
"To empower individuals and families to self-sufficiency
by providing resources and services to improve their
quality of life."*

ST. JAMES COUNCIL ON AGING
(A NOT-FOR-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2016

ST. JAMES COUNCIL ON AGING
(A NOT-FOR-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2016

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INDEPENDENT AUDITORS' REPORT

To the St. James Community Action
Administering Board (CSBG)
St. James Council on Aging
Convent, Louisiana

We have audited the accompanying financial statements of St. James Council on Aging (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

St. James Council on Aging's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. James Council on Aging as of December 31, 2016, and the related statements of activities and changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on 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 to Agency Head or Chief Executive Officer on page 13 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 information 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 26, 2017, on our consideration of St. James Council on Aging'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 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 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 St. James Council on Aging's internal control over financial reporting and compliance.

Postlethwaite & Nettlesville

Donaldsonville, Louisiana
June 26, 2017

INDEPENDENT AUDITORS' 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

To the St. James Community Action
Administering Board (CSBG)
St. James Council on Aging
Convent, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of St. James Council on Aging (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and changes in net assets, 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 26, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered St. James Council on Aging's internal control over financial reporting (internal control) to determine the 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 St. James Council on Aging's internal control. Accordingly, we do not express an opinion on the effectiveness of St. James Council on Aging'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. James Council on Aging'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 report 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 St. James Council on Aging'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.

Postlethwaite & Nettlesville

Donaldsonville, Louisiana
June 26, 2017

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2016

ASSETS

CURRENT ASSETS

Cash in bank, unrestricted	\$ 126,256
Unconditional promises to give	26,500
Total current assets	<u>152,756</u>
Restricted assets:	
Cash in bank, restricted	102,011
Unconditional promises to give	1,700
Other receivables	600
Total restricted assets	<u>104,311</u>
Total assets	<u><u>\$ 257,067</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES (payable from current assets)

Accrued expenses	\$ 16,600
Total current liabilities (payable from current assets)	<u>16,600</u>

CURRENT LIABILITIES (payable from restricted assets)

Accrued expenses	800
Total current liabilities (payable from restricted assets)	<u>800</u>

NET ASSETS

Temporarily restricted	103,511
Unrestricted	136,156
Total net assets	<u>239,667</u>
Total liabilities and net assets	<u><u>\$ 257,067</u></u>

The accompanying notes are an integral part of this financial statement.

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>SUPPORT AND REVENUES</u>			
Support:			
Allocations by Capital Area United Way	\$ 57,148	\$ 70,000	\$ 127,148
LA Arts Funding	-	1,690	1,690
Entergy Donations	-	4,000	4,000
Tornado Fund	-	4,745	4,745
Donations - Other	-	15,500	15,500
Total support	<u>57,148</u>	<u>95,935</u>	<u>153,083</u>
Net assets released from restrictions			
Satisfaction of program restrictions	39,042	(39,042)	-
	<u>39,042</u>	<u>(39,042)</u>	<u>-</u>
 Total support and revenues	 <u>96,190</u>	 <u>56,893</u>	 <u>153,083</u>
<u>EXPENSES</u>			
Program services:			
Emergency assistance	43,450	-	43,450
Technology assistance	8,468	-	8,468
Disaster assistance	1,700	-	1,700
Total program services	<u>53,618</u>	<u>-</u>	<u>53,618</u>
Support services:			
General and administrative	6,145	-	6,145
 Total expenses	 <u>59,763</u>	 <u>-</u>	 <u>59,763</u>
Change in net assets	36,427	56,893	93,320
Net assets, beginning of year	<u>99,729</u>	<u>46,618</u>	<u>146,347</u>
Net assets, end of year	<u>\$ 136,156</u>	<u>\$ 103,511</u>	<u>\$ 239,667</u>

The accompanying notes are an integral part of this financial statement.

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016

	<u>Program Services</u>			<u>Support Services</u>	<u>Total</u>
	<u>Emergency Assistance</u>	<u>Technology Assistance</u>	<u>Disaster Assistance</u>	<u>General and Administrative</u>	
Professional fees	\$ -	\$ -	\$ -	\$ 6,145	\$ 6,145
Assistance to individuals	43,450	8,468	1,700	-	53,618
Total	<u>\$ 43,450</u>	<u>\$ 8,468</u>	<u>\$ 1,700</u>	<u>\$ 6,145</u>	<u>\$ 59,763</u>

The accompanying notes are an integral part of this financial statement.

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 93,320
Adjustment to reconcile change in net assets to net cash provided by operating activities:	
Changes in:	
Other receivables	(600)
Unconditional promises to give	(16,490)
Accrued expenses	5,300
Net cash provided by operating activities	<u>81,530</u>
Net increase in cash	81,530
Cash at beginning of year	<u>146,737</u>
Cash at end of year	<u><u>\$ 228,267</u></u>
Reconciliation to the statement of financial position	
Cash in bank, unrestricted	\$ 126,256
Cash in bank, restricted	102,011
	<u><u>\$ 228,267</u></u>

The accompanying notes are an integral part of this financial statement.

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Nature of Activities

St. James Council on Aging (the Council) is a not-for-profit, non-stock corporation organized to promote the welfare of the elderly and poverty level citizens of St. James Parish, Louisiana. St. James Council on Aging collects facts and statistics and makes special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging and poor of St. James Parish. The Capital Area United Way provides funding to St. James Council on Aging for its Emergency Assistance Program. Emergency assistance is provided to low income individuals and families for payment of medical bills, utilities, rent, purchase of food and clothing, and similar needs. Other programs are funded by private foundations and grants.

St. James Council on Aging was incorporated in 1973. In the bylaws adopted in 1989, the St. James Parish's Department of Human Resources is charged with carrying out the activities of St. James Council on Aging.

Basis of Accounting

The financial statements of the Council have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Classification of Net Assets

Financial Accounting Standards Board Codification No. 958 entitled "Not-For-Profit Entities" requires that net assets and changes in net assets be reported for three classifications – permanently restricted, temporarily restricted and unrestricted – based on the existence or absence of donor imposed restrictions of the assets to a particular purpose. Accordingly, the net assets of the Council and changes therein are classified and reported as follows:

- Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Council and/or the passage of time.
- Permanently restricted net assets – Net assets subject to donor-imposed stipulations that neither expired by the passage of time nor can be fulfilled and removed by actions of the Council pursuant to those stipulations. The Council has no permanently restricted net assets.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Council that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Promises to Give (continued)

All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets are released from restriction.

The Council uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Cash and cash equivalents

For purposes of the statement of cash flows, the Council considers all highly liquid investments with initial maturity of three months or less to be cash equivalents. The Council has no cash equivalents as of December 31, 2016.

Concentration of credit risk

The Council has a bank account at a local financial institution. The Council's deposits are properly insured by the Federal Deposits Insurance Corporation (FDIC) as of December 31, 2016.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income taxes

The Council is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, the Council has not recorded a provision for income taxes in the accompanying financial statements.

Management has evaluated the Council's tax positions and concluded that the Council has taken no uncertain tax positions that require adjustment to or disclosure in the financial statements to comply with the provision of the accounting guidance for income taxes.

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Income taxes (continued)

The Council's tax return for the year ended December 31, 2016 has not been filed and is on valid extension. The Council's tax returns for the years ended December 31, 2015 and 2014 remain open and subject to examination by taxing authorities.

Accounting changes

On August 18, 2016, FASB issued Accounting Standards Update (ASU) No. 2016-14. Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. Under the ASU, the number of net asset classes is decreased from three to two; enhanced disclosures of underwater endowments are required; reporting of expenses by function and nature, as well as an analysis of expenses by both function and nature is required; and qualitative information in the notes to the financial statements on how it manages its liquid available resources and liquidity risks is required. This ASU is effective for fiscal years beginning after December 15, 2017. Early application of the standard is permitted. The Council is currently assessing the impact of this pronouncement on the financial statements.

2. Promises to Give

Unconditional promises to give at December 31, 2016 consist of United Way core funding in the amount of \$26,500 and private foundation donations of \$1,700.

3. Restricted Net Assets

At December 31, 2016, the Council's temporarily restricted net assets are available for the following purposes:

Mental Health	\$	5,801
Helping Hands		849
Disaster Relief		24,858
IDA		3,751
Transportation		3,610
Elderly Service		3,722
Weatherization		469
Homemakers		3
LA Arts		1,690
Entergy		598
February 2016 Tornado		4,745
CAUW – Flood assistance		19,200
CAUW – Tornado Assistance		19,200
Donation – Other		15,015
	\$	<u>103,511</u>

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

4. Related Party and Donated Services and Facilities

St. James Council on Aging presently has no employees. In accordance with its bylaws, the Council on Aging has given operational responsibilities for all programs to the Department of Human Resources of the St. James Parish. Employees of the Department of Human Resources administer the programs of St. James Council on Aging. No amounts have been reflected in the financial statements for donated services or facilities from St. James Parish.

5. Subsequent Events

The Council has evaluated subsequent events through June 16, 2017, the date which the financial statements were available to be issued. No events occurring after this date have been evaluated for inclusion in these financial statements.

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2016

Agency Head Name/Title: Milton Cayette, Board Chair

<u>Purpose</u>	<u>Amount</u>
Salary	0
Benefits - insurance	0
Benefits - retirement	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

SCHEDULE OF FINDINGS
DECEMBER 31, 2016

FINANCIAL STATEMENT FINDINGS

None

ST. JAMES COUNCIL ON AGING
CONVENT, LOUISIANA

SCHEDULE OF PRIOR YEAR FINDINGS
DECEMBER 31, 2016

FINANCIAL STATEMENT FINDINGS

None