

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

**Financial Statements
As Of and For the Year Ended
December 31, 2015**

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

FINANCIAL STATEMENTS
As of and For the Year Ended
December 31, 2015

CONTENTS

	<u>Page</u>
Independent Accountant's Compilation Report	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6-9
OTHER INFORMATION	
Schedule of Findings and Responses	10
Summary of Prior Year Findings	11



INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

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

Management is responsible for the accompanying financial statements of Senior Citizens Outreach Entity, Inc. (a Nonprofit Organization), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Little & Associates, LLC

Monroe, Louisiana
June 26, 2017

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2015

Assets	
Cash	\$ 182,907
Contract Receivable - Ouachita Council on Aging	31,482
Property and Equipment:	
Furniture and Equipment	22,649
Automobile	21,287
Leasehold Improvements	51,420
Total	<u>95,356</u>
Less Accumulated Depreciation	<u>(95,064)</u>
Net Property and Equipment	<u>292</u>
Total Assets	\$ <u><u>214,681</u></u>
Liabilities	
Accounts Payable	\$ <u>4,919</u>
Total Liabilities	<u>4,919</u>
Net Assets	
Unrestricted	<u>209,762</u>
Total Net Assets	<u>209,762</u>
Total Liabilities and Net Assets	\$ <u><u>214,681</u></u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue			
Contracts:			
Ouachita Parish Council on Aging	\$ 62,964	\$ -	\$ 62,964
Donated Use of Facility	36,000	-	36,000
Contributions	34	-	34
Other Income	891	-	891
Interest Income	460	-	460
Total Support and Revenue	<u>100,349</u>	<u>-</u>	<u>100,349</u>
Expenses			
Programs	92,059	-	92,059
Supporting Services:			
Management and General	48,611	-	48,611
Total Expenses	<u>140,670</u>	<u>-</u>	<u>140,670</u>
Change in Net Assets	(40,321)	-	(40,321)
Net Assets at Beginning of Year	<u>250,083</u>	<u>-</u>	<u>250,083</u>
Net Assets at End of Year	<u>\$ 209,762</u>	<u>\$ -</u>	<u>\$ 209,762</u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Program Services	Supporting Services Management and General	Total
Automobile	\$ -	\$ 25,834	\$ 25,834
Bank Charges	-	196	196
Contract Services	7,400	-	7,400
Communication	1,588	3,704	5,292
Depreciation	58	38	96
Donated Use of Facility	32,400	3,600	36,000
Education	-	50	50
Insurance	4,397	489	4,886
Meals	21,918	-	21,918
Office Expense	-	2,447	2,447
Other Expenses	-	1,182	1,182
Payroll	9,872	5,315	15,187
Pest Control	-	1,161	1,161
Professional Fees	-	1,450	1,450
Supplies	-	1,787	1,787
Taxes - Payroll	755	407	1,162
Taxes	-	455	455
Transportation	9,205	-	9,205
Utilities-Water, Gas, Electric, Cable	4,466	496	4,962
	\$ <u>92,059</u>	\$ <u>48,611</u>	\$ <u>140,670</u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

Operating Activities

Change in Net Assets	\$ (40,321)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	96
Increase (Decrease) in Accounts Payable	<u>2,108</u>
Net Cash Provided By (Used In) Operating Activities	<u>(38,117)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(38,117)
Cash and Cash Equivalents at Beginning of Year	<u>221,024</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>182,907</u></u>

Disclosure of Accounting Policy

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

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 – ORGANIZATION

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

FINANCIAL STATEMENT PRESENTATION

Financial statement presentation follows the provisions of Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 958, Not-for-Profit Organizations*. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. These three classes of net assets are described as follows:

Unrestricted Net Assets – consists of assets, public support, and program revenues which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Temporarily Restricted Net Assets – includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the organization.

Permanently Restricted Assets – includes resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the organization to expend all or part of the income derived from the donated assets.

PERVASIVENESS OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONTRIBUTIONS

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions are recognized as support when received or when an unconditional promise to give is received.

Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the existence or nature of any donor imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

PROPERTY, EQUIPMENT, AND DEPRECIATION

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

SUPPORT AND REVENUE RESTRICTIONS

The Organization reports support and revenue that is restricted by the donor as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When the 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.

ADVERTISING COSTS

Advertising and marketing costs are expenses as incurred.

FUNCTIONAL ALLOCATION OF EXPENSES

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

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAX STATUS

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and is classified as other than a private foundation. During the year ended December 31, 2010, the Organization adopted certain provisions of FASB ASC 740, *Income Taxes*. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's Federal Return of Organization Exempt from Income Tax (Form 990) for the years ended December 31, 2012, 2013 and 2014 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 3 – DEPOSITS

At December 31, 2015, the Organization maintains three bank accounts and a certificate of deposit at Iberia Bank. Interest-bearing and noninterest-bearing accounts, in the aggregate, are insured up to \$250,000 at each financial institution by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2015, there were no uninsured deposits.

NOTE 4 – REVENUE AND SUPPORT

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

NOTE 5 – DONATED USE OF FACILITY

The organization performs administrative functions and provides the majority of its programs in a facility, the use of which is donated by Pleasant Green Baptist Church, Inc. The value of donated use of facility meeting the requirements for recognition in the financial statements for the year ended December 31, 2015, totaled \$36,000, and has been included in revenue and expenses.

NOTE 6 – PROGRAMS

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

The programs operated by the Organization are described as follows:

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

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

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 6 – PROGRAMS (CONTINUED)

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

NOTE 7 – FINANCIAL INSTRUMENTS

COLLATERALIZATION POLICY

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

CONCENTRATIONS

The Organization's primary source of current funding is through a grant received from the Office of Elderly Affairs. At December 31, 2015, the Organization was operating under a grant through the Office of Elderly Affairs that terminates on June 30, 2016.

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

NOTE 8 – SUBSEQUENT EVENTS

The Organization's management has evaluated subsequent events through June 26, 2017, the date which the financial statements were available for issue.

OTHER INFORMATION

SENIOR CITIZEN OUTREACH ENTITY, INC.
SCHEDULE OF FINDINGS AND RESPONSES
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015

FINDINGS - FINANCIAL STATEMENTS REVIEW

Finding 2015-1 Late Submission of Annual Compilation Report

Condition: Annual compilation report not filed with Legislative Auditor by deadline.

Criteria: In accordance with State Statutes, the Organization is required to file an annual compilation report by June 30, 2016 with the Legislative Auditor.

Cause: Organization was unable to provide necessary accounting records to meet deadline.

Effect: Organization can lose government funding and contracts.

Recommendation: Management should make sure that all necessary accounting records are kept up to date, organized and ready so that a compilation can be performed timely.

Response: Mrs. Johnson, who has done our bookkeeping since 1997, has had a number of unexpected tragedies. She suffered from medical problems, loss of two family members including mother and sister, and had a special needs grandchild beginning in 2013. There were no irregularities with the financials. These issues have been corrected and the financial records are currently up to date. We do not expect this to happen in the future.

SENIOR CITIZENS OUTREACH ENTITY, INC.
SUMMARY OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

Finding: 2013-1, 2014-1 Late Submission of Annual Compilation Report

Condition: Annual compilation report not filed with Legislative Auditor by deadline.

Response: Mrs. Johnson, who has done our bookkeeping since 1997, has had a number of unexpected tragedies. She suffered from medical problems, loss of two family members including mother and sister, and had a special needs grandchild beginning in 2013. There were no irregularities with the financials. These issues have been corrected and the financial records are currently up to date. We do not expect this to happen in the future.

Resolved: Yes

Corrective Action Completed: 6/30/2017