

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

**Financial Statements  
As Of and For the Year Ended  
December 31, 2014**

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

FINANCIAL STATEMENTS  
As of and For the Year Ended  
December 31, 2014

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

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

We have compiled the accompanying statement of financial position of Senior Citizens Outreach Entity, Inc. (a Nonprofit Organization) as of December 31, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

*Little & Associates, LLC*

Monroe, Louisiana  
June 26, 2017

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2014

<b>Assets</b>	
Cash	\$ 221,024
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>(94,968)</u>
Net Property and Equipment	<u>388</u>
Total Assets	\$ <u><u>252,894</u></u>
<b>Liabilities</b>	
Accounts Payable	\$ <u>2,811</u>
Total Liabilities	<u>2,811</u>
<b>Net Assets</b>	
Unrestricted	<u>250,083</u>
Total Net Assets	<u>250,083</u>
Total Liabilities and Net Assets	\$ <u><u>252,894</u></u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and Revenue</b>			
Contracts:			
Ouachita Parish Council on Aging	\$ 62,964	\$ -	\$ 62,964
Sponsor a Senior	24	-	24
Donated Use of Facility	36,000	-	36,000
Contributions	106	-	106
Other Income	1,186	-	1,186
Interest Income	<u>484</u>	<u>-</u>	<u>484</u>
Total Support and Revenue	<u>100,764</u>	<u>-</u>	<u>100,764</u>
<b>Expenses</b>			
Programs	83,302	-	83,302
Supporting Services:			
Management and General	<u>22,913</u>	<u>-</u>	<u>22,913</u>
Total Expenses	<u>106,215</u>	<u>-</u>	<u>106,215</u>
Change in Net Assets	(5,451)	-	(5,451)
Net Assets at Beginning of Year	<u>255,534</u>	<u>-</u>	<u>255,534</u>
Net Assets at End of Year	<u>\$ 250,083</u>	<u>\$ -</u>	<u>\$ 250,083</u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Program Services</u>	<u>Supporting Services Management and General</u>	<u>Total</u>
Automobile	\$ -	\$ 4,925	\$ 4,925
Bank Charges	-	111	111
Contract Services	7,702	-	7,702
Communication	596	1,392	1,988
Depreciation	128	85	213
Donated Use of Facility	32,400	3,600	36,000
Education	-	25	25
Insurance	3,191	354	3,545
Meals	17,427	-	17,427
Office Expense	-	941	941
Other Expenses	-	1,156	1,156
Payroll	9,872	5,315	15,187
Pest Control	-	1,153	1,153
Professional Fees	-	1,450	1,450
Supplies	-	1,863	1,863
Taxes - Payroll	755	407	1,162
Transportation	10,007	-	10,007
Utilities-Water, Gas, Electric, Cable	<u>1,224</u>	<u>136</u>	<u>1,360</u>
	<u>\$ 83,302</u>	<u>\$ 22,913</u>	<u>\$ 106,215</u>

See accompanying notes and accountant's compilation report.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

**Operating Activities**

Change in Net Assets	\$ (5,451)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	213
Increase (Decrease) in Accounts Payable	<u>(1,505)</u>
Net Cash Provided By (Used In) Operating Activities	<u>(6,743)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(6,743)
Cash and Cash Equivalents at Beginning of Year	<u>227,767</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>221,024</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, 2014

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, 2014

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, 2014

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, 2011, 2012 and 2013 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 3 – DEPOSITS

At December 31, 2014, 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, 2014, 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, 2014, 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, 2014

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, 2014, the Organization was operating under a grant through the Office of Elderly Affairs that terminates on June 30, 2015.

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, 2014

**FINDINGS - FINANCIAL STATEMENTS REVIEW**

Finding 2014-1 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, 2015 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, 2014

Finding: 2013-1 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