

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana

Financial Statements
September 30, 2021

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Broussard & Company
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Beauregard Community Action Association, Inc.
DeRidder, Louisiana

We have reviewed the accompanying financial statements of Beauregard Community Action Association, Inc. (the Association) (a non-profit organization) which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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.

Accountant's Responsibility

Our responsibility is to conduct a review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Restatement of Beginning Net Assets Without Restrictions

As disclosed in Note 14, the beginning net assets without restrictions was restated by \$1,749. The cause for the restatement involved the recording of a capital lease as described in Note 15.

Broussard and Company

Lake Charles, Louisiana
March 31, 2022



Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Board of Directors and the Louisiana Legislative Auditor
Beauregard Community Action Association, Inc.
DeRidder, Louisiana

We have performed the procedures enumerated below on the Beauregard Community Action Association, Inc.'s (the Association), compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended September 30, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Association's management is responsible for its financial records and compliance with applicable laws and regulations.

The Association has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the Association's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended September 30, 2021. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. The report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Federal, State and Local Awards

1. Obtain the list of federal, state and local government grant award expenditures for the fiscal year, by grant and grant year, from the Association's management.

The Association provided us with the following list of expenditures made for federal grant awards received during the fiscal year ended September 30, 2021.

Federal, State or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
Community Services Block Grant (CSBG)	2020-2021	93.569	\$ 192,182
Low Income Home Energy Assistance (LIHEAP)	2020-2021	93.568	13,584
Total Expenditures			\$ 205,766

The Agency represented that they received no state or local government grant awards during the fiscal year ended September 30, 2021.

2. For each federal, state and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provide that no more than 30 disbursements are selected.
3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

- Each of the selected disbursements agreed to the amount and payee in the supporting documentation.
4. Report whether the selected disbursements were coded to the correct fund and general ledger account.
 - All of the disbursements were coded to the correct fund and general ledger account.
 5. Report whether the selected disbursements were approved in accordance with the Association's policies and procedures.
 - The Association's policies and procedures state that the executive director must approve all disbursements, with subsequent approval by a board member. Documentation supporting each of the selected disbursements included the signature of the executive director. In addition, a board member's signature was noted on each cancelled check.
 6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

Activities allowed or unallowed

We compared documentation for each of the selected disbursements with program compliance requirements related to the services allowed or no allowed. No exceptions were noted.

Eligibility

We compared documentation for each of the selected disbursements with program compliance requirements related to services allowed or not allowed. No exceptions were noted.

Reporting

We compared documentation for each of the selected disbursements with program compliance requirements related to reporting. No exceptions were noted.

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Association's financial records; and report whether the amounts in the close-out reports agree with the Association's financial records.
 - None of the selected disbursements included programs that were closed during the period of our review.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions. Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication “Open Meetings Law” available on the Legislative Auditor’s website at [https://app.la.state.la.us/llala.nsf/BAADB2991272084786257AB8006EE827/\\$FILE/Open%20Meetings%20Law%20FAQ.pdf](https://app.la.state.la.us/llala.nsf/BAADB2991272084786257AB8006EE827/$FILE/Open%20Meetings%20Law%20FAQ.pdf), to determine whether a non-profit agency is subject to the open meetings law.
 - We examined evidence indicating that agendas for meetings recorded in the minutes were posted as an open meeting as required by R.S. 42:11 through 42:28.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.
 - The Association provided that comprehensive budgets were submitted to the applicable federal grantor agency for the grants exceeding five thousand dollars. These budgets included the purpose and duration of the grant program.

State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.
 - The review report was issued on March 31, 2022. This is considered timely in accordance with R.S. 24:513.
11. Inquire of management and report whether the Association entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to public bid law (R.S. 38:2211, et seq.), while the Association was not in compliance with R.S. 24:513 (the audit law).
 - The Association’s management represented that the Association did not enter into any contracts during the fiscal year that were subject to public bid law.

Prior Comments and Recommendations

12. Obtain and report management’s representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

- There were no prior year suggestions as the prior year financial statements were compiled for fiscal year 2020. It was noted in the review for the fiscal year ended September 30, 2019 that payroll tax liabilities were not paid in a timely manner. The Association per management’s representation is up to date on all payroll tax liabilities as of September 30, 2021.

We were engaged by the Association to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Association’s compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the Association’s compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Broussard and Company

Lake Charles, Louisiana
March 31, 2022

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

MARCH 31, 2022 (Date Transmitted)

BROUSSARD AND COMPANY CPAs, LLC (CPA Firm Name)
121 WEST BROAD STREET, SUITE 800 (CPA Firm Address)
LAKE CHARLES, LA 70601 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of SEPTEMBER 30, 2021 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No [] N/A []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes No [] N/A []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No [] N/A []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No [] N/A []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes No [] N/A []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No [] N/A []

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No [] N/A []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No [] N/A []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No [] N/A []

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No [] N/A []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No [] N/A []

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No [] N/A []

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes No [] N/A []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No [] N/A []

We have provided you with all relevant information and access under the terms of our agreement.

Yes No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No [] N/A []

We are not aware of any material misstatements in the information we have provided to you.

Yes No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

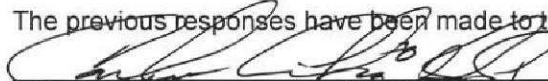
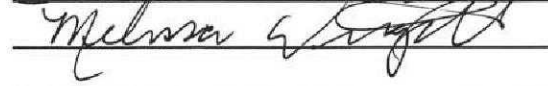
Yes No [] N/A []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal

controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes No N/A

The previous responses have been made to the best of our belief and knowledge.

	Secretary	3/31/2022	Date
	Treasurer	3/31/2022	Date
	President		Date

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
Statement of Financial Position
As of September 30, 2021

Assets

Current Assets:	
Cash	\$ 24,915
Grant receivables	27,528
Prepaid insurance	<u>2,363</u>
Total Current Assets	<u>54,806</u>
 Noncurrent Assets:	
Equipment - phone system	8,453
Accumulated depreciation - phone system	<u>(5,233)</u>
Total Noncurrent Assets	<u>3,220</u>
 Total Assets	 <u><u>\$ 58,026</u></u>

Liabilities and Net Assets

Current Liabilities:	
Payroll liabilities	\$ 3,307
Capital lease obligation	<u>857</u>
Total Current Liabilities	<u>4,164</u>
 Total Liabilities	 <u>4,164</u>
 Net Assets	
Without donor restrictions	<u>53,862</u>
 Total Net Assets	 <u>53,862</u>
 Total Liabilities and Net Assets	 <u><u>\$ 58,026</u></u>

The accompanying notes are an integral part of this statement

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
Statement of Activities
For The Year Ended September 30, 2021

Changes in Net Assets Without Donor Restrictions:

Revenue, Gains and Other Support

Governmental Grants	\$ 205,766
Miscellaneous Revenues	33,036
	238,802

Total Revenues, Gains and Other Support Without Donor Restrictions	238,802
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Expenses

CSBG	135,155
CSBG- CARES	66,320
LIHEAP	33,071
Local	19,443
	253,989

Total Expenses	253,989
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Increase in Net Assets Without Donor Restrictions	(15,187)
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Net Assets Without Donor Restrictions, Beginning of Period as restated	69,049
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Net Assets Without Donor Restrictions, End of Period	\$ 53,862
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The accompanying notes are an integral part of this statement

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
Statement of Cash Flows
For The Year Ended September 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from supporters, grants, programs, fees	\$ 228,620
Cash paid to employees, suppliers, and for programs	<u>(330,819)</u>
Net Cash Provided (Used) by Operating Activities	<u>(102,199)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Principal payments on capital lease obligation	<u>(1,822)</u>
Net Cash Provided (Used) by Financing Activities	<u>(1,822)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(104,021)
CASH AT BEGINNING OF YEAR	<u>128,936</u>
CASH AT END OF YEAR	<u><u>\$ 24,915</u></u>
 RECONCILIATION OF DECREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS TO NET CASH USED BY OPERATING ACTIVITIES:	
Increase (decrease) in net assets without donor restrictions	(15,187)
Amortization	1,208
Adjustments to reconcile changes in excess of revenue and support over expenses to net cash provided by operating activities:	
(Increase) decrease in receivables	(10,182)
(Increase) decrease in prepaid insurance	(2,363)
Increase (decrease) in payroll liabilities	<u>(75,675)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (102,199)</u></u>

The accompanying notes are an integral part of this statement

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
Statement of Functional Expenses
For The Year Ended September 30, 2021

	CSBG	CSBG - CARES	LIHEAP	Local	TOTAL
Salaries, payroll taxes and benefits	\$ 100,732	\$ 8,631	\$ 20,672	\$ 10,359	\$ 140,394
Supplies	2,097	61	845	1,019	4,022
Contractual	902	-	307	4,160	5,369
Utilities	7,506	-	2,794	1,203	11,503
Rent	8,379	-	363	1,083	9,825
Training	217	-	106	77	400
Insurance	1,138	-	917	-	2,055
Utility Assistance	6,949	600	5,477	-	13,026
Computer Equipment Donation	-	57,028	-	-	57,028
Publications and Dues	1,355	-	262	1,276	2,893
Amortization Expense	1,208	-	-	-	1,208
Miscellaneous	4,672	-	1,328	266	6,266
Total Expenses	\$ 135,155	\$ 66,320	\$ 33,071	\$ 19,443	\$ 253,989

The accompanying notes are an integral part of this statement

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements
September 30, 2021

Note 1 - Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization

The Beauregard Community Action Association, Inc. (the Association) was incorporated under the laws of the State of Louisiana on September 16, 1965. The Association is a non-profit community action association which is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. The laws of the State of Louisiana exempt the Association from Louisiana taxation.

Grants, miscellaneous contributions of cash, and other assets are reported as unrestricted support unless donor stipulations are not removed during the fiscal year.

The Association's primary source of revenue is federal and state grant monies, which provide services to elderly and low-income clients.

Program and Supporting Services

The following programs and supporting services are included in the accompanying financial statements:

CSBG - The CSBG accounts for funds granted by the United States Department of Health and Human Services under the Community Services Block Grant Program.

Energy Assistance Program - The Energy Assistance Program accounts for funds donated to local utility companies by the public to provide to low income families.

LIHEAP - The LIHEAP accounts for funds granted by the United States Department of Health and Human Services under the Low Income Home Energy Assistance Block Grant Program.

Emergency Food and Shelter - accounts for funds granted by the Emergency Food and Shelter National Board Program.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements (Continued)
September 30, 2021

Note 1 - Nature of Organization and Summary of Significant Accounting Policies (Continued):

Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with generally accepted accounting principles.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

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

Property and Equipment

Property and equipment is stated at cost. It is the Association's policy to capitalize expenditures for these items in excess of \$500. Depreciation of property and equipment is computed principally by the straight-line method over 5 - 10 years.

Funding Policies

The Association receives their monies through basically three methods of funding. Most of the funds are obtained through grants. Under this method, funds are received on a monthly allocation of the total budget in advance of the actual expenditure. The Association also receives funds as a reimbursement of actual expenditures. The other method by which the Association receives funding is through private and in-kind contributions.

Functional Expenses

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

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements (Continued)
September 30, 2021

Note 1 - Nature of Organization and Summary of Significant Accounting Policies (Continued):

Deposits with Financial Institutions

The Association's bank balances of deposits with financial institutions at September 30, 2021 were fully insured by the Federal Deposit Insurance Corporation.

Note 2 - Board Members

During the period covered by our audit, there were no payments made to or on behalf of board members.

Note 3 - Claims and Contingencies

The Association receives revenues from various Federal and State grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and the Association.

Note 4 - Economic Dependency

The Association receives the majority of its revenue from funds provided through grants. The grant amounts are appropriated each year by the Federal and State governments. The significant budget cuts are made at the Federal and/or State level, the amount of funds the association receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Association will receive in the next fiscal year.

Note 5 - Subsequent Events

The Association evaluated its September 30, 2021 financial statements for subsequent events through the date the financial statements were available to be issued. The Association is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements (Continued)
September 30, 2021

Note 6 - Grants Receivable

Grants receivable represent amounts that have been expended for grant purposes and are to be reimbursed by the grantor. Management considers all receivables to be collectible. Therefore, no allowance for doubtful accounts has been established. Grants receivable at September 30, 2021 consisted of the following:

CSBG	\$	14,855
LIHEAP		<u>12,673</u>
	\$	<u>27,528</u>

Note 7 - Risk Management

The Association is exposed to various risks of loss related to torts, theft or damage and destruction of assets, error and omissions, injuries to employees, and natural disasters. The Association carries commercial insurance for these risks.

Note 8 - Fair Values of Financial Instruments

The Association determined the fair value of its assets and liabilities through a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level 1 inputs to the valuation methodology are based on unadjusted quoted prices for identical assets in active markets that the Association has the ability to access. Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets and/or based on inputs that are derived principally from or corroborated by observable market data. Level 3 inputs are unobservable and are based on assumptions that market participants would utilize in pricing the asset.

The fair value of financial instruments, including cash, approximate the carrying value, principally because of the short maturity of those items and are considered Level 1 or Level 2.

Note 9 - Liquidity and Availability of Financial Assets

The Association's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. The Association has \$52,443 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure consisting of cash of \$24,915 and grant receivables of \$27,528. The grant receivables are subject to implied time restrictions but are expected to be collected within one year. The Association has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements (Continued)
September 30, 2021

Note 10 - Operating Leases

The Association leases its facility for \$900 per month and the lease term was renewed for one year starting in August 2020. The Beauregard Police Jury contributes \$800 per month towards this lease. The net impact to the Association is net rent expense of \$100 per month.

Note 11 - Revenue Recognition

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in U.S. GAAP. The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Association adopted the new standard effective January 1, 2020, the first day of the Association’s fiscal year, using the full retrospective method.

As part of the adoption of the ASU, the Association elected to use the following transition practical expedients: (i) completed contracts that begin and end in the same annual reporting period have not been restated; (ii) the Association used the known transaction price for completed contracts; (iii) to exclude disclosures of transaction prices allocated to remaining performance obligations when the Association expects to recognize such revenue for all periods prior to the date of initial application of the ASU; and (iv) the Association has reflected the aggregate of all contract modifications that occurred prior to the date of initial application when identifying the satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price.

The majority of the Association’s revenue is recognized over time based on grants from several governmental agencies. Revenue recognized over time primarily consists of performance obligations that are satisfied within one year or less. In addition, the majority of the Association’s revenue streams do not contain variable consideration and contract modifications are generally minimal. For these reasons, there is not a significant impact as a result of electing these transition practical expedients.

The adoption of this ASU did not have a significant impact on the Association’s financial statements. Based on the Association’s evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues as a result of the adoption.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements (Continued)
September 30, 2021

Note 12 - Disaggregation of Revenue from Contracts with Customers

The Association reports revenues based on the following categories: Governmental Grants and Other Miscellaneous Revenue. The Association has determined that these categories can be used to meet the objective of the disaggregation disclosure requirements, which is to disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The following table disaggregates the Agency's revenue based on type and on the timing of satisfaction of performance obligations for the year ended September 30, 2021:

	Governmental Grants	Other Revenue	Total
Performance obligations satisfied at a point in time	\$ -	\$ -	\$ -
Performance obligations satisfied over time	205,766	33,036	238,802
	\$ 205,766	\$ 33,036	\$ 238,802

Note 13 - Disaggregation of Revenue from Contracts with Customers

Contract assets include unbilled amounts resulting from sales under contracts when the percentage-of-completion cost-to-cost method of revenue recognition is utilized and revenue recognized exceeds the amount billed to the customer. Contract liabilities include billings in excess of revenue recognized. Contract assets and contract liabilities were as follows for the year ended September 30, 2021:

	2021
Contract assets	\$ -
Contract liabilities	-

Note 14 - Restatement of Net Assets Without Restrictions

The Association entered into a lease agreement in May 2017 for a telephone system. The lease term was 60 months and included a \$1.00 bargain purchase option. The lease should have been capitalized at its inception. The Association recorded the lease at the beginning of its current fiscal year records. The net effect increased net assets without restrictions \$1,749 from \$67,300 to \$69,049.

BEAUREGARD COMMUNITY ACTION ASSOCIATION, INC.
DeRidder, Louisiana
Notes to Financial Statements (Continued)
September 30, 2021

Note 15 - Capital Lease

The Association entered into a lease agreement in May 2017 for a telephone system. The lease was deemed to be capital in nature. The following is an analysis of the capital lease property:

Phone System	\$	8,453
Accumulated amortization		<u>(5,233)</u>
	\$	<u>3,220</u>

Amortization expense for the lease for the year ended September 30, 2021 was \$1,208.

The following schedule of future minimum lease payments under the capital lease and their present value as of September 30, 2021:

Year Ended September 30, 2022	\$	<u>869</u>
Total minimum lease payments		869
Less: Amount representing interest		<u>12</u>
Present value of minimum lease payments	\$	<u>857</u>

Beauregard Community Action Association, Inc.
 Schedule of Compensation, Benefits, and Other Payments to Agency Head
 For the Year Ended September 30, 2021

Agency Head Name: Winkie Branch, Executive Director

Purpose	Amount
Salary	\$ 59,285
Benefits - insurance	\$ 3,264
Benefits - retirement	\$ 4,535
Deferred compensation (contributions made by the agency)	\$ -
Benefits - other (pair of shoes)	\$ -
Benefits - other (fuel district vehicle)	\$ -
Car allowance	\$ -
Vehicle provided by government	\$ -
Cell phone	\$ -
Dues	\$ -
Vehicle rental	\$ -
Per diem	\$ -
Reimbursements	\$ -
Travel	\$ -
Registration fees	\$ -
Conference travel	\$ -
Housing	\$ -
Unvouchered expenses	\$ -
Special meals	\$ -
Other	\$ -

See accompanying notes to the financial statements.