

**CREATING NEW HORIZONS**

West Monroe, Louisiana

**Reviewed Financial Statements**

For the Year Ended December 31, 2023

**CREATING NEW HORIZONS**

West Monroe, Louisiana

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For the Year Ended December 31, 2023

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

**To the Governing Board and Management  
Creating New Horizons  
West Monroe, Louisiana**

We have reviewed the accompanying financial statements of **Creating New Horizons** (a nonprofit organization, the Organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows 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.

### **Accountants' Responsibility**

Our responsibility is to conduct the 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

**To the Governing Board and Management  
Creating New Horizons  
West Monroe, Louisiana**

**Accountants' 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.

*Woodland & Associates*

**(A Professional Accounting Corporation)**  
Monroe, Louisiana

**July 10, 2024**

## **BASIC FINANCIAL STATEMENTS**

**CREATING NEW HORIZONS**

West Monroe, Louisiana

**Statement of Financial Position**

As of December 31, 2023

<b>Assets</b>	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
Current assets			
Cash and cash equivalents	\$ 220	\$ 28,359	\$ 28,579
House held for sale	-	220,930	220,930
Total current assets	<u>220</u>	<u>249,289</u>	<u>249,509</u>
<b>Total assets</b>	<b><u>\$ 220</u></b>	<b><u>\$ 249,289</u></b>	<b><u>\$ 249,509</u></b>
<b>Liabilities and net assets</b>			
<b>Net assets</b>			
Without donor restrictions	220	-	220
With donor restrictions	-	249,289	249,289
Total net assets	<u>220</u>	<u>249,289</u>	<u>249,509</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 220</u></b>	<b><u>\$ 249,289</u></b>	<b><u>\$ 249,509</u></b>

The accompanying notes are an integral part of the financial statements.

# CREATING NEW HORIZONS

West Monroe, Louisiana

## Statement of Activities

For the Year Ended December 31, 2023

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues and Support</b>			
Government grants & contracts	\$ -	\$ 250,000	\$ 250,000
Interest earned	-	11	11
Other income	275	-	275
Total	<u>275</u>	<u>250,011</u>	<u>250,286</u>
Net assets released from restrictions	<u>722</u>	<u>(722)</u>	<u>-</u>
Total revenue and support	<u>997</u>	<u>249,289</u>	<u>250,286</u>
<b>Expenses</b>			
Administrative	389	-	389
Professional fees	525	-	525
Total expenses	<u>914</u>	<u>-</u>	<u>914</u>
<b>Increase in net assets</b>	83	249,289	249,372
<b>Net assets at beginning of year</b>	<u>137</u>	<u>-</u>	<u>137</u>
<b>Net assets at end of year</b>	<u>\$ 220</u>	<u>\$ 249,289</u>	<u>\$ 249,509</u>

The accompanying notes are an integral part of the financial statements.

**CREATING NEW HORIZONS**

West Monroe, Louisiana

**Statement of Cash Flows**

As of and for the Year Ended December 31, 2023

**Cash flow from operating activities**

Increase (decrease) in net assets	\$ <u>249,372</u>
Construction of house held for sale	(220,930)
Net cash provided (used) by operating activities	<u>(220,930)</u>
<b>Net increase (decrease) in cash</b>	28,442
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	<u>137</u>
<b>CASH AND CASH EQUIVALENTS - End of Year</b>	\$ <u><u>28,579</u></u>

The accompanying notes are an integral part of the financial statements.



**CREATING NEW HORIZONS**

West Monroe, Louisiana

**Statement of Functional Expenses**

For the Year Ended December 31, 2023

	<u><b>Program Services</b></u>	<u><b>Administrative</b></u>	<u><b>Total</b></u>
Office supplies	-	389	389
Professional services	-	525	525
Total	\$ -	\$ 914	\$ 914

The accompanying notes are an integral part of the financial statements.

# CREATING NEW HORIZONS

West Monroe, Louisiana

## Notes to the Financial Statements

For the Year Ended December 31, 2023

### NATURE OF BUSINESS

Creating New Horizons (the Organization) was formed on October 19, 2015 under the Non-Profit Corporation laws of the state of Louisiana. The Organization operates primarily as an alternative career pathway choice for at risk youth in high need/low-income areas through its Tri-Fold Holistic Model of Self-Development, Academic Development and Career Development. The Organization leverages its existing partnerships to facilities development activities that engage at risk youth in character/workforce soft skills, academic remediation services and job training, hard skills, career pathways that will serve to increase the supply of much needed skilled labor in the high need/low-income area. Secondly, the Organization operates as an economic development program through facilitating the construction of affordable housing for low to moderate income families in the area where the Organization training occurs. The process of building affordable housing is carried out through local, state, and federal partnerships and funding.

### Note 1 – Summary of Significant Accounting Policies

#### **Basis of Accounting**

The Organization's financial statements are presented on the accrual basis of accounting, which is in conformity with Generally Accepted Accounting Principles (GAAP). Accordingly, these statements reflect revenues when earned rather than received and expenses are recognized when incurred rather than paid.

In accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, Financial Statements of Not-for-Profit Entities, net assets are presented in two classes – net assets without donor restrictions and net assets with donor restrictions. Presentation in a particular net asset class is based on the existence or absence of donor-imposed restrictions on the use of net assets.

Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

*Net Assets with Donor Restrictions* – Net assets subject to stipulations imposed by donors and grantors. These restrictions will be satisfied by the actions of the Organization.

*Nets Assets without Donor Restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the objectives of the Organization. These net assets may be used at the discretion of the Organization's management.

#### **Property**

Property is stated at cost. The Organization holds the house(s) built during the year on the balance sheet at cost where cost includes all costs associated with the construction of the house(s).

# CREATING NEW HORIZONS

West Monroe, Louisiana

## Notes to the Financial Statements

For the Year Ended December 31, 2023

### Net Assets

The Organization reports information regarding its net asset position on the accrual basis according to two classes of net assets: net assets without donor restriction and net assets with donor restriction, based upon the existence or absence of donor-imposed restrictions.

### Contributions

The Organization received one contribution in the way of a \$250,000 grant from the State of Louisiana. The grant served two purposes: the first was to achieve the Organization's goal of facilitating development activities that engage at risk youth in character/workforce soft skills, academic remediation services, job training, and career pathways in the construction industry. Secondly, the grant was used for construction of an affordable home for low to moderate income families.

### Functional Expenses

The costs of providing various services and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Expenses that can be identified with the construction of the house are allocated to the book cost of the house held for sale.

### Note 2 – Cash and Cash Equivalents

As of December 31, 2023, the Organization's cash and equivalents was \$28,579. At December 31, 2023, all bank balances were FDIC insured.

### Note 3 – Property Held for Sale

Property held for sale at December 31, 2023 consisted of the following:

	<b>Original Cost</b>
House	\$ <u>220,930</u>
Total	\$ <u>220,930</u>

### Note 4 – Funds With Donor Restrictions

As of December 31, 2023, net assets with donor restrictions consisted of \$28,359 of the grant received for the building of a new house for a low-income individual, and to help train at risk youth for entry level construction jobs.

## **CREATING NEW HORIZONS**

West Monroe, Louisiana

### **Notes to the Financial Statements**

For the Year Ended December 31, 2023

#### **Note 5 – Concentrations**

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 280-10-50-42 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The State of Louisiana provided \$250,000 of grant funding to the Organization, which represents approximately 99.9% of their revenue.

#### **Note 6 – Subsequent Events**

The Organization has evaluated subsequent events through July 8, 2024, the date which the financial statements were available to be issued and noted one event subsequent to the reporting period that required a disclosure.

The house built during the year at a cost of \$220,930 appraised for \$160,000 in January 2024. The house subsequently sold on June 26, 2024, for \$110,000 which will cause a loss of \$110,930 for the year ended December 31, 2024. Statements for the year ended December 31, 2023 have not been changed due to these items.

**CREATING NEW HORIZONS**

West Monroe, Louisiana

**Schedule of Compensation, Benefits, and  
Other Payments to Agency Head**

For the Year Ended December 31, 2023

**Agency Head: Anthony Garcia**

<b>Purpose</b>	<b>Amount</b>
Compensation	\$ 12,000

# **CREATING NEW HORIZONS**

West Monroe, Louisiana

## **Schedule of Findings**

For the Year Ended December 31, 2023

We have reviewed the financial statements of Creating New Horizons, as of and for the year ended December 31, 2023, and the related notes to the financial statement, which collectively comprise the basic financial statements and have issued our report thereon dated July 10, 2024.

### **2023-001 Noncompliance with Public Meetings Law**

#### **Criteria**

Louisiana Revised Statute 42:20 requires that all public bodies keep written minutes of all their open meetings which shall include the date, time, and place of the meeting, the members of the public body recorded as either present or absent, the substance of all matters decided, and any other information that the public body requests be included or reflected in the minutes.

#### **Condition**

The Organization did not maintain written minutes of their meetings for the year ended December 31, 2023.

#### **Cause**

Internal controls were not properly designed and implemented to ensure compliance with the Louisiana Open Meetings Law.

#### **Effect**

The Organization was not in compliance with Louisiana Revised Statute 42:20 of the Open Meetings Law.

#### **Recommendations to Prevent Future Occurrences**

The Organization should implement procedures to ensure compliance with the Open Meetings Law.

#### **Management Response**

We will maintain written minutes of our meetings moving forward to ensure that we are in compliance with the Louisiana Open Meetings Law.

## **CREATING NEW HORIZONS**

West Monroe, Louisiana

### **Schedule of Findings**

For the Year Ended December 31, 2023

#### **2023-002 Late Submission of Financial Information to the Louisiana Legislative Auditor**

##### **Criteria**

Louisiana Revised Statute 24:513 A(5)(a)(i) requires that financial information of agencies shall be completed within six months of the close of the entity's fiscal year. Information is required to be filed with the Louisiana Legislative Auditor within this time restriction.

##### **Condition**

The Organization review for the year ended December 31, 2023 was not submitted to the Louisiana Legislative Auditor within six months of year ended as required by law.

##### **Cause**

Creating New Horizon's financial information was not provided to the CPA firm in time to complete the report by the deadline.

##### **Effect**

The Organization is not in compliance with Louisiana Revised Statute 24:513A(5)(a)(i).

##### **Recommendations to Prevent Future Occurrences**

We recommend the Organization implement a corrective action plan with a timetable to ensure financial information is provided to the audit firm in a timely manner.

##### **Management Response**

We will work diligently with the auditors moving forward to submit documents in a timely manner so that our report to the LLA will be submitted on time.



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**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

To the **Governing Board of Creating New Horizons**  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period **January 1, 2023 through December 31, 2023**. **Creating New Horizons** (the Organization), management is responsible for those C/C areas identified in the SAUPs.

The Organization 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 C/C areas identified in LLA's SAUPs for the fiscal period **January 1, 2023 through December 31, 2023**. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This 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:

1. Obtained the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year from the Agency's management.
  - a. **No exceptions were identified as a result of this procedure.**
2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.
  - a. **No exceptions were identified as a result of this procedure.**
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.
  - a. **No exceptions were identified as a result of this procedure.**



**To the Governing Board of Creating New Horizons  
and the Louisiana Legislative Auditor**

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.
  - a. **No exceptions were identified as a result of this procedure.**
5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.
  - a. **No exceptions were identified as a result of this procedure.**
6. 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 Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.
  - a. **No exceptions were identified as a result of this procedure.**
7. 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 (open meetings law), and report whether there are any exceptions.
  - a. **We were not able to obtain evidence from management that agendas for meetings recorded in the minute book were posted for the public.**
8. 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.
  - a. **No exceptions were identified as a result of this procedure.**
9. Inquire of management and report whether the agency entered into any contracts that utilized state funds; and there were subject to the public bid law, while the agency was not in compliance with R.S. 24:513 (the audit law).
  - a. **No exceptions were identified as a result of this procedure.**

**Management's Responses**

We will maintain written minutes of our meetings moving forward to ensure that we are in compliance with the Louisiana Open Meetings Law.

**To the Governing Board of Creating New Horizons  
and the Louisiana Legislative Auditor**

We were engaged by the Organization 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 applicable standards of *Government Auditing Standards*. 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 those C/C areas identified in the SAUPs. 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 Organization 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 those C/C areas identified in the SAUPs, 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 LLA as a public document.

*Woodard & Associates*

**(A Professional Accounting Corporation)**  
Monroe, Louisiana

**July 10, 2024**