

SJRC Texas

Financial Statements and Compliance Report

June 30, 2018 and 2017



SJRC Texas

Table of Contents

	Page
Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position	3
Statement of Activities (with comparative totals)	4
Statement of Functional Expenses (with comparative totals)	5
Statements of Cash Flows	6
Notes to Financial Statements	7
Compliance Report	
Independent Auditor's 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 Audit Standards	12
Schedule of Findings and Questioned Costs	14

Independent Auditor's Report

To the Board of Directors of
SJRC Texas

We have audited the accompanying financial statements of SJRC Texas (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, 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

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.

Auditor's 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 SJRC Texas as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Independent Auditor's Report (Continued)

Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from SJRC Texas' 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 29, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2018, on our consideration of the SJRC Texas' 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 solely 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 the effectiveness of SJRC Texas' 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 SJRC Texas' internal control over financial reporting and compliance.



Schriver, Carmona & Company, PLLC

San Antonio, Texas

December 7, 2018

Financial Statements

SJRC Texas

Statements of Financial Position June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 260,763	\$ 237,712
Certificate of Deposit	-	246,014
Accounts Receivable	559,167	314,388
Prepays	2,679	992
Other Current Assets	4,918	7,641
Total Current Assets	<u>827,527</u>	<u>806,747</u>
Fixed Assets		
Property and Equipment, net	<u>1,661,320</u>	<u>1,758,886</u>
Total Fixed Assets	<u>1,661,320</u>	<u>1,758,886</u>
Other Assets		
Other Assets	<u>2,230</u>	<u>2,230</u>
Total Other Assets	<u>2,230</u>	<u>2,230</u>
Total Assets	<u>\$ 2,491,077</u>	<u>\$ 2,567,863</u>
Liabilities and Net Assets		
Current Liabilities:		
Accounts Payable	\$ 58,316	\$ 21,609
Accrued Liabilities	<u>97,075</u>	<u>158,995</u>
Total Current Liabilities	<u>155,391</u>	<u>180,604</u>
Net Assets:		
Unrestricted	<u>2,335,686</u>	<u>2,387,259</u>
Total Net Assets	<u>2,335,686</u>	<u>2,387,259</u>
Total Liabilities and Net Assets	<u>\$ 2,491,077</u>	<u>\$ 2,567,863</u>

The Accompanying Notes are an Integral Part of These Financial Statements

SJRC Texas

Statement of Activities

Year Ended June 30, 2018 (with comparative totals for the year ended June 30, 2017)

	2018			2017 Totals
	Unrestricted	Temporarily Restricted	Total	
Support and Revenues				
Government Grants	\$ 2,975,742	\$ -	\$ 2,975,742	\$ 2,343,962
Other Grants	405,797	-	405,797	469,487
Contributions	443,689	-	443,689	669,245
Special Event Income, Net	148,284	-	148,284	177,902
Program Income	1,249	-	1,249	2,699
Interest Income	262	-	262	98
Other Income	1,867	-	1,867	12,568
Total Support and Revenues	<u>3,976,890</u>	<u>-</u>	<u>3,976,890</u>	<u>3,675,961</u>
Expenses				
Program Services	3,206,821	-	3,206,821	2,869,677
Support Services:				
Management and General	572,778	-	572,778	708,008
Fundraising	248,864	-	248,864	219,233
Total Expenses	<u>4,028,463</u>	<u>-</u>	<u>4,028,463</u>	<u>3,796,918</u>
Changes in Net Assets	(51,573)	-	(51,573)	(120,957)
Net Assets at Beginning of Year	<u>2,387,259</u>	<u>-</u>	<u>2,387,259</u>	<u>2,508,216</u>
Net Assets at End of Year	<u>\$ 2,335,686</u>	<u>\$ -</u>	<u>\$ 2,335,686</u>	<u>\$ 2,387,259</u>

The Accompanying Notes are an Integral Part of These Financial Statements

SJRC Texas

Statement of Functional Expenses Year Ended June 30, 2018 (with comparative totals for the year ended June 30, 2017)

	Program Services	Support Services		2018 Totals	2017 Totals
		Management and General	Fundraising		
Salaries, Wages, and Benefits	\$ 2,178,064	\$ 402,571	\$ 139,364	\$ 2,719,999	\$ 2,493,307
Payroll Taxes	153,460	27,170	10,486	191,116	178,787
Total Salaries and Related Expenses	2,331,524	429,741	149,850	2,911,115	2,672,094
Accounting Fees	-	14,500	-	14,500	25,985
Advertising, Marketing and Public Relations	26	-	33,554	33,580	32,256
Bank Fees	-	1,976	-	1,976	5,129
Computer Hardware/Software	24,121	3,218	3,959	31,298	33,094
Conferences and Meetings	7,697	8,280	4,316	20,293	16,499
Dues and Subscriptions	5,750	1,376	4,804	11,930	11,381
Employee Benefits	2,987	6,657	3,878	13,522	8,187
Foster Family Payments	242,768	-	-	242,768	193,792
Housing Costs	19,153	18	-	19,171	26,167
Investment Losses	-	278	-	278	526
Information Technology	25,090	9,560	3,595	38,245	42,058
Insurance	51,648	10,536	2,132	64,316	80,677
Legal Fees	-	23	-	23	10,460
Merchant Service Fee	150	2,032	326	2,508	4,719
Office Expenses	14,111	3,290	17,199	34,600	30,192
Other Expenses	-	485	522	1,007	-
Postage and Shipping	899	321	5,199	6,419	1,457
Professional Services	-	30,000	-	30,000	39,855
Rent	21,123	-	15,693	36,816	33,856
Resident Expenses	200,362	-	-	200,362	214,135
Repair and Maintenance	14,530	7,302	56	21,888	11,972
Security System	9,860	-	-	9,860	12,008
Telephone / Internet	33,368	7,464	3,575	44,407	48,555
Travel	42,331	3,531	206	46,068	52,103
Utilities	48,686	794	-	49,480	46,387
Total Expenses before Depreciation	3,096,184	541,382	248,864	3,886,430	3,653,544
Depreciation	110,637	31,396	-	142,033	143,374
Total Expenses	\$ 3,206,821	\$ 572,778	\$ 248,864	\$ 4,028,463	\$ 3,796,918

The Accompanying Notes are an Integral Part of These Financial Statements

SJRC Texas

Statements of Cash Flows Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash Flows From Operating Activities:		
Change in Net Assets	\$ (51,573)	\$ (120,957)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	142,033	143,374
Prior period adjustments	-	(6,170)
(Increase) Decrease in:		
Accounts Receivable	(244,779)	(6,806)
Prepays	(1,687)	29,498
Other Assets	2,723	(20,851)
Increase (Decrease) in:		
Accounts Payable	36,707	(15,243)
Accrued Expenses	(61,920)	34,321
Net Cash Provided (Used) by Operating Activities	<u>(178,496)</u>	<u>37,166</u>
Cash Flows From Investing Activities:		
Purchase of Property and Equipment	(44,467)	(207,823)
Proceeds from Maturity of Certificate of Deposit	246,014	-
Purchase of Certificate of Deposit	-	(246,014)
Due From Affiliates	-	365,083
Net Cash Provided (Used) by Investing Activities	<u>201,547</u>	<u>(88,754)</u>
Net Increase (Decrease) in Cash	23,051	(51,588)
Cash and Cash Equivalents, Beginning of Year	<u>237,712</u>	<u>289,300</u>
Cash and Cash Equivalents, End of Year	<u>\$ 260,763</u>	<u>\$ 237,712</u>

The Accompanying Notes are an Integral Part of These Financial Statements

SJRC Texas

Notes to Financial Statements
Years Ended June 30, 2018 and 2017

Note A: Nature of Organization

SJRC Texas is a nonprofit organization incorporated under the laws of the State of Texas. SJRC Texas includes two nonsectarian facilities licensed by the Texas Department of Family and Protective Services to care for abused, abandoned and homeless children. One facility located in New Braunfels, Texas, serves as a shelter for emergency care of children from infancy to age 17 while the Texas Department of Family and Protective Services determine their residency destination. The shelter also provides a program for pregnant and parenting children ages 10 to 17. For the emergency shelter, the short-term length of stay is approximately 90 days unless an extension is granted and the long-term length of stay is approximately two years. The shelter is licensed to care for a maximum of 24 children. The second facility located in Bulverde, Texas is licensed by the Texas Department of Family and Protective Services to care for children ages 6 to 17. The facility has five homes where these children receive residential therapeutic foster care services in a home-like environment. The third facility in San Antonio, Texas is responsible for providing counseling and assistance as well as a Child Placing Agency for foster or adoptive parents.

SJRC Texas's program services are supported primarily through state and local government contracts, as well as donations from individuals, corporations, foundations, and its affiliates.

Note B: Summary of Accounting Principles

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). Net assets, support and revenue, and expenses are classified according to three classes of net assets:

- *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 SJRC Texas and/or the passage of time.
- *Permanently restricted net assets* – net assets subject to donor-imposed stipulations that they be maintained permanently by SJRC Texas.

Fair Value of Financial Instruments

SJRC Texas's financial instruments include cash, investments, receivables and payables. The carrying amount of these financial instruments as reflected in the Statement of Financial Position, except for investments (see Note C), approximates fair value.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent 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.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated on the basis of estimates by management among the programs and supporting services, based primarily on the nature of the expense concerned and percentages of time allocated to these functions.

SJRC Texas

Notes to Financial Statements
Years Ended June 30, 2018 and 2017

Note B: Summary of Accounting Principles (Continued)

New Accounting Pronouncements

In February 2016, The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases*, effective for reporting periods beginning after December 15, 2019. Under this new pronouncement, generally, leases with terms of more than 12 months will be recognized on the statement of financial position as an asset (right to use leased asset) and a liability (lease liability). The Trust's management expects the impact to operations to be minimal and is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

In August 2016, the FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 will result in significant changes to financial reporting and disclosures for non-for-profit organizations and is effective for periods beginning after December 15, 2017, with early adoption permitted. The pronouncement replaces the three classes of net assets with two new classes, requires the reporting of expenses by function and natural classification for all not-for-profit organizations, enhances disclosures on liquidity and availability of resources, and includes several other less significant reporting enhancements. Management of Trust is currently evaluating the effect this pronouncement will have on the financial statements and related disclosures.

Cash and Cash Equivalents

For purposes of reporting cash flows, SJRC Texas considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable consists of amounts due from state and county agencies for services provided in the care for children. Receivables are stated at the amount management expects to collect from outstanding balances. It is SJRC Texas's policy to charge off uncollectible accounts receivable for program fees when management determines the receivable will not be collected. The program fees are delinquent when not received within the contractual terms. SJRC Texas estimates an allowance for doubtful accounts based on periodic assessment. If the accounts become uncollectible, the balance will be charged to expense when the determination is made. Receivables at June 30, 2018 are considered to be fully collectible; accordingly, no allowance has been established. All amounts recorded are expected to be received within one year.

Property and Equipment

Property and equipment is stated at cost if purchased or at fair value at the date of gift, if donated, less accumulated depreciation. SJRC Texas capitalizes property and equipment over \$1,000 with expected useful lives greater than one year. Lesser amounts are expensed. When an asset is disposed of, the cost and related accumulated depreciation is removed from the books, and the gain or loss is recognized. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets as follows:

Furniture and Fixtures, vehicles, and equipment	3 to 10 years
Land Improvements	3 to 25 years
Buildings	25 to 39 years

SJRC Texas

Notes to Financial Statements
Years Ended June 30, 2018 and 2017

Note B: Summary of Accounting Principles (Continued)

Contributions and Grants

Contributions and grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in unrestricted net assets. All other donor restricted support is reported as an increase in temporarily restricted net assets or permanently restricted net assets, depending on the nature of the restriction. Temporarily restricted net assets are reclassified to unrestricted net assets upon expiration of the time restriction and are reported in the Statement of Activities as “net assets released from restrictions”. Restricted contributions whose restrictions are met in the same reporting period are recorded as unrestricted contributions.

Advertising

Advertising costs are expensed as incurred. Advertising expense totaled **\$1,788** and \$1,547 for the years ended June 30, 2018 and 2017, respectively.

Donated Services, Goods and Facilities

Volunteers have donated time to the program services and fund-raising campaigns during the year; however, these donated services are not reflected in the financial statements since the services do not require specialized skills.

Materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their fair market value at the date of receipt.

Federal Income Taxes

SJRC Texas is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying statements. In addition, SJRC Texas has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) for the Internal Revenue Code. There was no unrelated business income for the years ended June 30, 2018 and 2017. SJRC Texas is not subject to the Texas margin tax. Management is not aware of any tax position that would have a significant impact on its financial position. SJRC Texas’s tax returns for tax years 2014 through 2016 remain subject to examination.

Note C: Fair Value Measurement

GAAP provides a framework for measuring fair value and establishes a three-level fair value hierarchy that prioritizes inputs to valuation techniques based on the degree to which objective prices in external active markets are available to measure fair value. The following is a description of each of the levels of the fair value hierarchy:

- *Level 1* - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets that BSA has the ability to access.
- *Level 2* - Inputs that include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.
- *Level 3* - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions as there is little, if any, related market activity.

SJRC Texas

Notes to Financial Statements
Years Ended June 30, 2018 and 2017

Note C: Fair Value Measurement (Continued)

SJRC Texas did not have any assets or liabilities valued at fair value at June 30, 2018.

The following table set forth by level, within the fair value hierarchy, SJRC Texas's assets at fair value as of June 30, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificate of Deposit	\$ -	\$ 246,014	\$ -	\$ 246,014
	<u>\$ -</u>	<u>\$ 246,014</u>	<u>\$ -</u>	<u>\$ 246,014</u>

Note D: Property and Equipment, net

Property and Equipment, net consisted of the following at June 30,:

	<u>2018</u>	<u>2017</u>
Land	\$ 122,500	\$ 122,500
Buildings	2,184,964	2,184,964
Leasehold Improvements	211,901	211,901
Furniture and Equipment	231,982	219,394
Vehicles	213,642	181,763
Less: Accumulated Depreciation	<u>(1,303,669)</u>	<u>(1,161,636)</u>
Total Property and Equipment, Net	<u>\$ 1,661,320</u>	<u>\$ 1,758,886</u>

Depreciation and amortization expense for the years ended June 30, 2018 and 2017 were **\$142,033** and \$143,374, respectively.

Note E: Line of Credit

SJRC Texas has a revolving line of credit with a financial institution. The Line of credit has a limit of \$100,000, interest only payments until maturity (September of 2018) and accrues interest at a rate of Prime plus 175 basis points. As of June 30, 2018, there were no amounts outstanding on the line of credit.

SJRC Texas

Notes to Financial Statements
Years Ended June 30, 2018 and 2017

Note F: Concentrations

Credit Risk of Financial Instruments

Financial instruments that potentially subject SJRC Texas to concentrations of credit risk consist of its cash balances at the banks if such balances exceed the amount insured by Federal Deposit Insurance Corporation (FDIC). For the years ended, June 30, 2018 and 2017, SJRC Texas's deposits at the Bank exceeded the FDIC limit of \$250,000 by \$4,087 and \$0, respectively. SJRC Texas has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on its cash and cash equivalents.

Support and Revenue

The primary source of SJRC Texas's revenue is grants funded with federal and state funds. The revenue from these grants for the years ended June 30, 2018 and 2017 were \$2,895,788 and \$2,343,962, which was 73% and 65% of total support and revenue, respectively. The grants for the year ending June 30, 2019 have been approved and management believes that future grants will continue.

Note G: Leases

SJRC Texas is obligated under a non-cancellable operating lease agreement for office space in the San Antonio area. Future minimum rental payments due under the operating lease agreements at June 30, 2018 are summarized as follows:

2019	\$	29,331
2020		<u>25,006</u>
Total Lease Commitment	\$	<u>54,337</u>

Rent expenses related to these leases totaled \$36,816 and \$33,856 for the years ended June 30, 2018 and 2017, respectively.

Note H: Commitments and Contingencies

SJRC Texas participates in several state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that SJRC Texas has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Note I: Reclassification

Certain amounts in the 2017 presentation have been reclassified to conform to the 2018 presentation.

Note J: Subsequent Events

Subsequent events have been evaluated through the November 26, 2018, which is the date the financial statements were available to be issued.

Compliance Report

**Independent Auditor's 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 Board of Directors of
SJRC Texas

We have audited, in accordance with the 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, the financial statements of SJRC Texas (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, 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 December 7, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered SJRC Texas' 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 SJRC Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of SJRC Texas' 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 SJRC Texas' 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 reported under *Government Auditing Standards*.

**Independent Auditor's 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 (Continued)**

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 the organization'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.



Schrive, Carmona & Company, PLLC

San Antonio, Texas

December 7, 2018

SJRC Texas

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2018**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to the financial statements?	No

SECTION II - FINANCIAL STATEMENT FINDINGS	None reported
--	---------------