



Shreveport Green

Financial Statements
Years Ended December 31, 2020 and 2019

Shreveport Green

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Independent Auditor's Report

The Board of Directors
Shreveport Green
Shreveport, Louisiana

I have audited the accompanying financial statements of Shreveport Green, which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and summary of significant accounting policies and the related notes to 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

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shreveport Green as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

My audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head on page 21 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation, Benefits and Other payments to Agency Head is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, The Schedule of Compensation, Benefits and Other Payments to Agency Head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Emphasis of Matters

As discussed in Note 15 to the financial statements, Shreveport Green adopted new accounting pronouncements for the years ended December 31, 2020 and 2019. My opinion is not modified with respect to these matters.



Certified Public Accountant

Shreveport, Louisiana
June 25, 2021

Shreveport Green

Statements of Financial Position

<i>December 31,</i>	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$237,685	\$243,280
Grants receivable (Note 7)	49,910	-
Accounts receivable (Note 5)	28,007	10,072
Prepaid insurance	5,449	5,412
Total current assets	321,051	258,764
Property and equipment, net (Note 6)	94,200	57,820
Total Assets	\$415,251	\$316,584
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 8,546	\$ 7,275
Refundable grants	270	-
Current portion of long-term debt net of unamortized discount (Note 8)	-	96,370
Total current liabilities	8,816	103,645
Total Liabilities	8,816	103,645
Net assets:		
With donor restrictions (Notes 13)	65,022	127,425
Without donor restrictions	341,413	85,514
Total net assets	406,435	212,939
Total Liabilities and Net Assets	\$415,251	\$316,584

See accompanying summary of significant accounting policies and notes to financial statements.

Shreveport Green

Statements of Activities

<i>Years Ended December 31,</i>	2020	2019
Changes in net assets without donor restrictions		
Revenue and Public Support:		
Querbes Park Foundation, including net assets released from restriction of \$172,432 in 2020 and \$51,036 in 2019	\$299,261	\$ 51,036
Governmental grants (Note 1)	219,519	112,500
Other public support, including net assets released from restrictions of \$27,853 in 2020 and \$23,078 in 2019 (Note 3)	158,475	55,222
Memberships and contributions	130,350	66,844
Grants – Serve Louisiana (Note 2)	97,868	80,481
Contract for services (Note 4)	39,786	47,105
Fundraising income	37,350	23,735
In-kind donations (Note 9)	1,950	5,226
Tree legacy program	630	7,225
Total revenue and public support without donor restrictions	985,189	449,374
Other Revenue:		
Miscellaneous income	2,188	2,500
Tree sales	-	445
Total other revenue	2,188	2,945
Total public support and other revenue without restrictions	987,377	452,319
Expenses:		
Other specific programs	332,529	124,119
Management and general program	292,491	283,594
ShreveCorps program	106,458	142,342
Total expenses	731,478	550,055
Decrease in net assets without donor restrictions	255,899	(97,736)
Changes in net assets with donor restrictions:		
Grants and contributions with donor restrictions	137,882	145,058
Net assets released from restrictions	(200,285)	(74,114)
Increase in net assets with donor restrictions	(62,403)	70,944
Increase (decrease) in net assets	193,496	(26,792)
Net assets, beginning of year	212,939	239,731
Net assets, end of year	\$406,435	\$212,939

See accompanying summary of significant accounting policies and notes to financial statements.

Year ended December 31,

2020

	Program Activities			Supporting Activities	
	ShreveCorps Program	Other Specific Programs	Total Program Activities	Management and General Program	Total Expenses
Expenses:					
Accounting and legal	\$ 3,600	\$ -	\$ 3,600	\$ 19,575	\$ 23,175
Automobile	20	-	20	1,833	1,853
Awards luncheon	-	-	-	-	-
Equipment rental	-	-	-	2,841	2,841
Contract labor	-	-	-	135	135
Depreciation	-	-	-	11,077	11,077
Dues and subscriptions	-	-	-	1,024	1,024
Entertainment and meetings	-	-	-	658	658
Fundraising	-	2,448	2,448	3,389	5,837
Grants-specific programs	-	71,672	71,672	-	71,672
Household hazardous waste	-	25,345	25,345	-	25,345
Insurance	-	-	-	40,553	40,553
Interest	-	3,630	3,630	276	3,906
Miscellaneous	-	-	-	4,055	4,055
Office expense	-	-	-	4,454	4,454
Payroll taxes	6,161	1,721	7,882	16,493	24,375
Postage	425	-	425	820	1,245
Professional training	-	-	-	1,505	1,505
Public relations	-	-	-	6,592	6,592
Querbes Park Foundation	-	205,134	205,134	-	205,134
Repairs/maintenance/security	-	-	-	4,132	4,132
Salaries	80,535	22,500	103,035	161,480	264,515
Supplies	14,588	-	14,588	27	14,615
Telephone	-	-	-	2,020	2,020
Travel	1,129	79	1,208	5,211	6,419
Trees	-	-	-	31	31
Utilities	-	-	-	4,310	4,310
Total expenses	\$106,458	\$332,529	\$438,987	\$292,491	\$731,478

Shreveport Green

Statements of Functional Expenses

2019

Program Activities			Supporting Activities	
ShreveCorps Program	Other Specific Programs	Total Program Activities	Management and General Program	Total Expenses
\$ 3,600	\$ -	\$ 3,600	\$ 19,500	\$ 23,100
20	-	20	128	148
-	-	-	5,024	5,024
-	-	-	2,464	2,464
-	-	-	65	65
-	-	-	10,309	10,309
-	-	-	1,669	1,669
9	-	9	924	933
-	-	-	7,930	7,930
-	45,651	45,651	-	45,651
-	23,802	23,802	-	23,802
4,881	-	4,881	35,180	40,061
-	3,630	3,630	141	3,771
5,226	-	5,226	2,694	7,920
119	-	119	9,731	9,850
7,374	-	7,374	11,619	18,993
-	-	-	1,207	1,207
1,350	-	1,350	1,674	3,024
-	-	-	4,297	4,297
-	51,036	51,036	-	51,036
889	-	889	3,545	4,434
96,395	-	96,395	150,544	246,939
15,964	-	15,964	479	16,443
-	-	-	305	305
6,515	-	6,515	6,849	13,364
-	-	-	1,045	1,045
-	-	-	6,271	6,271
\$142,342	\$124,119	\$266,461	\$283,594	\$550,055

See accompanying summary of significant accounting policies and notes to financial statements.

Shreveport Green

Statements of Cash Flows

<i>Years Ended December 31,</i>	2020	2019
Cash flows from operating activities:		
Change in net assets	\$193,496	\$ (26,792)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	11,077	10,309
Noncash interest expense (amortization of discount)	3,630	3,630
Noncash forgiveness of debt	(100,000)	-
Decrease in:		
Accounts and grants receivable	(67,845)	14,888
Prepaid insurance	(37)	4,402
Increase (decrease) in -		
Accounts payable	1,271	(3,941)
Grants refundable	270	-
Net cash provided (used) by operating activities	41,862	2,496
Cash flows from operating activities:		
Additions to property and equipment	(47,457)	-
Net cash used by investing activities	(47,457)	-
Net increase (decrease) in cash	(5,595)	2,496
Cash at beginning of year	243,280	240,784
Cash at end of year	\$237,685	\$243,280
Interest paid	\$ 276	\$ 141

See accompanying summary of significant accounting policies and notes to financial statements.

Shreveport Green

Summary of Significant Accounting Policies

Nature of Activities

Shreveport Green is a nonprofit organization whose purpose is the promotion of the public interest in the improvement of the environment of the City of Shreveport through the promotion of recycling, coordination of litter control programs and the promotion of beautification through landscaping and other neighborhood improvements. The organization generates revenue through available grants and contribution support.

Basis of Accounting

The financial statements of Shreveport Green have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Concentrations of Credit Risk

The majority of Shreveport Green revenue comes from State of Louisiana grants, local grants, membership and service fees paid by local agencies. Shreveport Green is therefore heavily dependent on the State and local government for its operations.

Income Tax Status

As a nonprofit organization, Shreveport Green is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code; but must file an annual return with the Internal Revenue Service that contains information on its financial operations. Shreveport Green is required to review various tax positions it has taken with respect to its exempt status and determine whether in fact it continues to qualify as a tax-exempt entity. It must also assess whether it has any tax positions associated with unrelated business income subject to income tax. Shreveport Green does not expect any of these tax positions to change significantly over the next twelve months. Any penalties related to late filing or other requirements would be recognized as penalties expense in the accounting records.

Shreveport Green is required to file U.S. Federal Form 990 for informational purposes. Its Federal income tax filings for the tax years ended 2018 and beyond remain subject to examination by the Internal Revenue Service.

Summary of Significant Accounting Policies

(Continued)

Use of Estimates Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates. Significant estimates include the useful lives of fixed assets and allocation of certain expenditures to grants and other programs.

Cash and Cash Equivalents For purposes of the statement of cash flows, Shreveport Green considers all highly liquid investments purchased with original maturities of three months or less to be cash and cash equivalents.

Property and Equipment Fixed assets are stated at cost, less accumulated depreciation, or fair value if donated. Depreciation and amortization are calculated using the straight-line method over the useful lives of the assets.

Revenue and Support For the year ended December 31, 2018, Shreveport Green adopted Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under ASU 2016-14, Shreveport Green is required to report information regarding the financial position and activities according to two classes of net assets: assets with donor restrictions and assets without donor restrictions.

Net Assets

Assets without donor restrictions – The part of net assets that are not restricted by donor/grantor-imposed stipulations.

Assets with donor restrictions – The part of net assets that are restricted by donor/grantor-imposed stipulations.

Revenue

Contributions received may be recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions.

Summary of Significant Accounting Policies

(Continued)

Revenue and Support - (continued)

Contractual grant revenue is reported as support without donor restrictions due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned.

Support and contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support and contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

For year ended December 31, 2019, Shreveport Green adopted Accounting Standards Codification (ASC) 606, "Revenue from Contracts with Customers." Revenues arising from contracts with customers are recognized at a point in time or over time according to the performance obligations specified or implied by the contract.

Performance Obligations

Contracts for Services and Performance Obligations

Revenue from contracts for services is recognized at a point in time directly associated with the completion of the service objective in an amount that reflects the consideration Shreveport Green expects to be entitled to in exchange for those services.

Compensated Absences

Full-time employees begin to earn general leave after six months of employment. Annual leave allowances range from 40 hours per year for employees with less than one year of service, 80 hours per year for employees with over one year of service, 120 hours for employees with more than five years of service and 160 hours of general leave for employees with over ten years of service. An employee may accumulate no more than 160 hours of annual leave. Unused leave cannot be carried over from year to year.

Shreveport Green

Summary of Significant Accounting Policies

(Concluded)

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting activities benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<u>Expenses</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort

Subsequent Events

Management evaluated events subsequent to the Shreveport Green's most recent year end through June 25, 2021, the date the financial statements were available for issuance.

Allowance for Doubtful Accounts

Shreveport Green records an allowance for doubtful accounts based on specifically identified amounts believed to be uncollectible. Shreveport Green has a limited number of customers with individually large amounts due at any given balance sheet date. Any unanticipated change in one of those customers' credit worthiness or other matters affecting collectability of amounts due from such customers could have a material effect on the Shreveport Green's results of operations in the period in which such changes or events occur. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. At December 31, 2020 and 2019, the allowance for doubtful accounts totaled \$0 and \$0 respectively.

Shreveport Green

Notes to Financial Statements

1. Governmental Grants

Shreveport Green received grants from the following governments to support litter prevention, beautification, recycling and other community enhancement activities.

	2020	2019
City of Shreveport	\$ 87,566	\$ 75,000
Caddo Parish	52,230	37,500
Small Business Administration	51,723	-
DeSoto Parish	28,000	-
	<u>\$219,519</u>	<u>\$112,500</u>

Governmental grants above include \$51,723 from the Paycheck Protection Program (PPP) loan administered by the Small Business Administration. Under the provision of the PPP loan, eligible entities may receive loans backed by the Small Business Administration to pay for certain qualifying expenses. The loans are potentially forgivable provided the funds are used for qualifying expenses within the specified timeframe.

Management used all the funds for qualifying expenses within the allowable timeframe and made application for loan forgiveness in October 2020. Management anticipates the loan to be fully forgiven and has elected to treat the loan as a conditional contribution under the provisions of ASC 958-605 *Not-for-profit Entities: Revenue Recognition*.

2. Other Grant Revenue

Shreveport Green received \$97,869 and \$80,481 in 2020 and 2019, respectively, from Serve Louisiana for their ShreveCorps program. This program is a youth-based life experience and service-learning opportunity committed to building an ethic of service among young adults and training them to address local environmental and community concerns.

Shreveport Green

Notes to Financial Statements

(Continued)

3. Other Public Support

Shreveport Green received contributions supporting specific programs during the years ended December 31, 2020 and 2019. Income for these programs is as follows:

	2020	2019
Mobile Market	\$ 68,141	\$ 9,909
Choice Neighborhood Gardens	35,090	-
Keep Louisiana Beautiful	16,500	8,411
Neighborhood Enhancement	15,033	-
Other Specific Programs	10,000	235
Litter Abatement Projects	8,779	19,040
COVID-19 Awareness	5,000	-
Growing Good Neighbors	-	12,627
Great American Cleanup	-	2,500
Healthy Futures	-	2,500
	\$158,543	\$55,222

4. Contracts for Services

Shreveport Green provided certain services under cooperative endeavor agreements or similar contracts. Revenues recognized from contracts for services are as follows:

	2020	2019
De Soto Parish hazardous waste collection	\$23,786	\$27,708
City of Shreveport hazardous waste collection	16,000	16,000
Caddo Parish Earth Camp	-	3,397
	\$39,786	\$47,105

Revenue, disaggregated by timing of transfer of goods and services follows:

	2020	2019
Revenue recognized based on goods and services transferred to customers at a point in time	\$39,786	\$47,105

Shreveport Green

Notes to Financial Statements

(Continued)

5. Contract Balances

Shreveport Green records contract assets and liabilities related to contracts with customers.

Contract assets consist of the organization's right to payment from customers for goods or services that have been provided to those customers, with the right to collection conditional on something other than the passage of time. Contract assets were \$0 and \$0 for the years ended December 31, 2020 and 2019, respectively.

Contract liabilities consist of the organization's obligations to transfer goods or services to customers for which the organization has received consideration from customers, including advance payments received from customers for future goods and services. Contract liabilities were \$0 and \$0 for the years ended December 31, 2020 and 2019.

Accounts receivables represent the organization's unconditional right to receive payment for the fulfillment of contract performance obligations or other conditions. Accounts receivable were \$28,007 and \$10,072 for the years ended December 31, 2020 and 2019.

6. Property and Equipment

Depreciation for financial reporting purposes is provided on the straight-line method based upon the estimated useful lives of the assets as follows: buildings - 25 years; vehicles and equipment - 3 to 10 years.

The major classifications of property and equipment as of December 31, 2019 and 2018 were as follows:

	2020	2019
Buildings and improvement	\$ 202,506	\$ 202,506
Automobiles	136,294	88,837
Equipment – General	49,674	55,076
Furniture and fixtures	2,828	10,222
Equipment – Neighborhood	545	545
	391,847	357,186
Accumulated depreciation	(297,647)	(299,366)
Property and equipment, net	\$ 94,200	\$ 57,820

Shreveport Green

Notes to Financial Statements

(Continued)

7. Property and Equipment - continued Depreciation and amortization expense for property and equipment totaled \$11,077 and \$10,309 for the years ended December 31, 2020 and 2019, respectively.

8. Grants Receivable Grants receivable consist of governmental and private grants for which Shreveport Green has fulfilled their grant obligations through the expenditure of funds for activities required under the grant. The grant receivable balance consisted of the following at December 31, 2020 and 2019 respectively:

	2020	2019
City of Shreveport Community Development Block Grant	\$49,910	-
	\$49,910	\$ -

9. Long-term Debt In December 2016, Shreveport Green entered into an agreement to borrow \$100,000 from a donor to be repaid over four years at zero percent interest to fund the Querbes Park Foundation program. Repayment is to be made only from donations specified for use in the project for which the loan was made. The agreement specified that the unpaid balance of the loan at December 31, 2020 would be forgiven and treated as a donation to Shreveport Green. Under the provisions of ASC 835-30, management has discounted the present value of the note by an imputed interest rate of 4 percent and recognized \$14,520 as contribution income to the Querbes Park Foundation for the year ended December 31, 2016. This discount was amortized over the life of the loan as interest expense. The terms of the loan do not include a stated repayment schedule; however, it is fully due at December 31, 2020. At December 31, 2020, the \$100,000 loan was forgiven and recognized as income in the statement of activities.

Shreveport Green

Notes to Financial Statements

(Continued)

9. Long-term Debt - continued

The following constitutes note payable at December 31, 2020 and 2019:

	2020	2019
Note payable at 4%	\$ -	\$100,000
Less unamortized discount	-	(3,630)
	-	96,370
Less current portion	-	(96,370)
Long-term debt	\$ -	\$ -

10. In-Kind Donations

During the year ended December 31, 2020, Shreveport Green received \$1,950, in donations of in-kind services related to training ShreveCorps participants. During the year ended December 31, 2018, Shreveport Green received \$5,226 in donations of in-kind goods and services. Of these gifts, \$613 were donated food supplies and \$4,613 were donated services related to training ShreveCorps participants.

11. Lease Obligations

The organization leases various office equipment under operating leases. Minimum lease payments on long-term operating leases by year and in the aggregate for the year ended December 31, 2020 are as follows:

2021	\$1,338
2022	852
2023	852
2024	852
2025 and thereafter	213
Total	\$4,107

Lease expense for the years ended December 31, 2020 and 2019 amounted to \$2,842 and \$2,464, respectively.

Shreveport Green

Notes to Financial Statements

(Continued)

12. Availability of Financial Assets

The following reflects Shreveport Green's financial assets as of the statements of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date.

	2020	2019
Financial assets at year end	\$ 315,602	\$ 253,352
Less those unavailable for general expenditure within one year due to contractual or donor-imposed restrictions	(65,022)	(127,425)
Financial assets available to meet cash needs for general expenditures within one year	\$ 250,580	\$ 125,927

13. Availability of Financial Assets - continued

Shreveport Green's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	2020	2019
Cash and cash equivalents	\$172,663	\$115,855
Accounts receivable	28,007	10,072
Grants receivable	49,910	-
Total financial assets	\$250,580	\$125,927

Shreveport Green

Notes to Financial Statements

(Concluded)

14. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes:

	2020	2019
Management and general programs:		
Querbes Park Foundation	\$44,795	\$105,588
Neighborhood Enhancement	14,338	-
Mobile Market	5,889	16,606
Litter Abatement	-	5,231
Total net assets with donor restrictions	\$65,022	\$127,425

15. Adoption of New Accounting Pronouncements

Effective January 1, 2019, the Shreveport Green adopted ASU 2014-09, "Revenue from Contracts with Customers" and subsequent amendments. The amendments are required by GAAP, and collectively create a new Accounting Standards Codification (ASC) 606, "Revenue from Contracts with Customers," which replaces most of the existing revenue recognition guidance found in GAAP. ASC 606 establishes a new, single revenue framework to recognize revenue from contracts with customers and requires expanded disclosures for revenue transactions.

The Shreveport Green adopted ASC 606 using the full retrospective method applied to all contracts not completed as of January 1, 2019. There was no effect on the statement of financial position as of that date.

Supplemental Material



Shreveport Green

Schedule of Compensation, Benefits and Other Payments to Agency Head

Year Ended December 31, 2020

Donna Curtis, Executive Director

Salary	\$79,710
Benefits-insurance	-
Benefits-retirement	-
Benefits-other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements – mileage	1,302
Reimbursements – other	1,202
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<hr/>
	\$82,214

2020-001 General Accounting Procedures

Condition

As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting journal entries and to prepare the Organization's annual financial statements. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles have not been established, nor has management demonstrated an ability to perform these functions in-house.

Criteria

Pursuant to the requirements of AU Section 325, "Communicating Internal Control Related Matters Identified in an Audit," this condition represents a control deficiency that is also considered to be a material weakness in internal controls.

Cause

The entity is small and is unable to afford the staffing to meet the applicable criteria.

Effect

The Organization does not have the resources (i.e. internal controls and expertise) to prepare the annual financial statements, complete with notes and free of material misstatement, in accordance with generally acceptable accounting principles. The auditor prepared the annual financial statements.

Recommendation

Whether or not it would be cost effective to cure a control deficiency is not a factor in applying the reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all deficiencies an auditor reports under AU Section 325. In this case, we do not believe that curing the material weakness described would be cost effective or practical and accordingly, do not believe any corrective action is necessary.

Management Response

As noted above, no recommendation is made and no corrective action is necessary.

Shreveport Green

Status of Prior Year's Findings Year Ended December 31, 2019

Ref. No.	Fiscal Year Finding Initially Occurred	Description Of Finding	Condition Corrected	Corrective Action Taken
2019-001	2014	Reliance on auditors for preparation of GAAP basis financial statements.	No	No recommendation was made, and no corrective action was considered necessary. This finding was repeated as 2020-001.