

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

AUDITED FINANCIAL STATEMENTS
December 31, 2020 and 2019



TWRU

CPAs & Financial Advisors

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Iris Domestic Violence Center
Baton Rouge, Louisiana

We have audited the accompany financial statements of Iris Domestic Violence Center (a not for profit organization) which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and changes in net assets, statement of functional expenses, and cash flows for the years 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 opinions on these financial statements based on our audit. We conducted our audits 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 of 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 principles 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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Iris Domestic Violence Center as of December 31, 2020 and 2019, and the respective 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits, and other payments to agency head on page 14 is required by the Louisiana Revised Statute 24:513(A)(3) and is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head or chief executive officer are the responsibility of management and were 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 audits 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 financial statements of the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2021, on our consideration of Iris Domestic Violence Center's 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 Iris Domestic Violence Center's 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 Iris Domestic Violence Center's internal control over financial reporting and compliance.

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CPAs & Financial Advisors
July 20, 2021



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IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

STATEMENTS OF FINANCIAL POSITION
(See Notes to Financial Statements)
December 31, 2020 and 2019

ASSETS

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and Cash Equivalents	\$ 388,939	\$ 263,966
Grants Receivable	150,222	213,887
Other Receivables	149	2,390
Prepaid Expenses	21,955	21,429
Other Current Assets	<u>9,509</u>	<u>8,650</u>
TOTAL CURRENT ASSETS	570,774	510,322
PROPERTY AND EQUIPMENT		
Construction in Progress	-	1,190,000
Furniture, Fixtures and Equipment	407,231	407,231
Building	<u>2,197,466</u>	<u>1,007,466</u>
TOTAL PROPERTY AND EQUIPMENT	2,604,697	2,604,697
Less Accumulated Depreciation	<u>(1,176,087)</u>	<u>(1,113,524)</u>
Land	<u>45,000</u>	<u>45,000</u>
NET PROPERTY AND EQUIPMENT	1,473,610	1,536,173
OTHER ASSETS		
Deposits	<u>6,293</u>	<u>3,211</u>
TOTAL ASSETS	<u>\$ 2,050,677</u>	<u>\$ 2,049,706</u>



LIABILITIES AND NET ASSETS

	<u>2020</u>	<u>2019</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 26,296	\$ 56,851
Payroll Liabilities	29,134	48,947
Line of Credit	105,000	105,150
Accrued Expenses	1,133	-
PPP Loan, Current Portion	29,499	-
TOTAL CURRENT LIABILITIES	<u>191,062</u>	<u>210,948</u>
NON CURRENT LIABILITIES		
PPP Loan, Net of Current Portion	120,201	-
Repayment of Grant Funds Not Used	37,134	37,134
TOTAL NON CURRENT LIABILITIES	<u>157,335</u>	<u>37,134</u>
TOTAL LIABILITIES	348,397	248,082
NET ASSETS		
Without Donor Restrictions	1,565,319	1,709,663
With Donor Restrictions	136,961	91,961
TOTAL NET ASSETS	<u>1,702,280</u>	<u>1,801,624</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,050,677</u>	<u>\$ 2,049,706</u>

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
(See Notes to Financial Statements)
For the Years Ended December 2020 and 2019

	2020	2019
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUES		
Grants:		
Federal	\$ 668,177	\$ 658,413
Local	242,080	250,000
State	110,409	60,899
Non Governmental	75,000	85,100
Contributions	113,315	299,810
Fundraising Projects	1,500	59,222
In-Kind Donations	143,284	1,190,000
Other Income	4,000	-
Net Assets Released from Restrictions	-	15,814
	1,357,765	2,619,258
EXPENSES		
Program Services:		
Residential Services	999,481	1,008,807
Education and Training	11,100	11,383
Legal Services	65,047	69,731
Outreach	98,670	74,629
Supporting Services:		
General and Administrative	169,490	171,625
Fundraising	19,899	40,379
Total Expenses	1,363,686	1,376,554
OTHER INCOME (EXPENSES)		
Interest Income	4,861	12,146
In Kind Donations	(143,284)	-
Total Other Income (Expense)	(138,423)	12,146
(Decrease) Increase in Net Assets Without Donor Restrictions	(144,344)	1,254,850
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Grant Revenue	45,000	-
Net Assets Released from Restrictions	-	(15,814)
	45,000	(15,814)
Increase (Decrease) in Net Assets With Donor Restrictions	45,000	(15,814)
(Decrease) Increase in Net Assets	(99,344)	1,239,036
Net Assets, Beginning of year	1,801,624	562,588
Net Assets, End of year	\$ 1,702,280	\$ 1,801,624

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES
(See Notes to Financial Statements)
For the Year Ended December 31, 2020

	Program Services				Fundraising	General & Administrative	Total Expense
	Residential Services	Education & Training	Legal Services	Outreach Services			
Salaries	\$ 137,656	\$ 2,072	\$ 7,409	\$ 11,989	\$ 3,655	\$ 19,955	\$ 182,736
Hourly Wages	354,738	6,381	10,650	33,463	8,270	-	413,502
Contract Attorneys	67,920	-	38,919	-	-	-	106,839
Employee Benefits	24,394	104	-	843	1,095	28,337	54,773
Payroll Taxes	40,106	480	1,109	2,744	935	1,387	46,762
Financial Assistance	48,187	-	325	33,207	-	-	81,720
Occupancy - Rent	12,545	-	-	3,055	-	-	15,600
Professional Fees	18,257	-	6,636	-	-	66,762	91,655
Computer Support	37,493	1,534	-	7,345	4,131	4,318	54,821
Credit Card & Other Service Charges	593	-	-	-	131	174	899
Depreciation	62,562	-	-	-	-	-	62,562
Equipment Rental	6,695	-	-	-	-	5,012	11,707
Fundraising	-	-	-	-	450	-	450
Insurance	78,314	-	-	-	-	8,475	86,789
Interest Expenses	9,123	-	-	-	-	-	9,123
Office Supplies	6,443	111	-	12	-	4,555	11,122
Other Expenses	10,189	417	-	1,996	1,123	1,171	14,895
Postage & Delivery	30	-	-	-	108	38	176
Property Taxes	138	-	-	34	-	-	172
Repairs & Maintenance	40,080	-	-	-	-	1,641	41,721
Telephone	18,312	-	-	2,172	-	5,114	25,598
Travel Expenses	-	-	-	-	-	114	114
Utilities	25,705	-	-	1,809	-	22,436	49,950
	<u>\$ 999,481</u>	<u>\$ 11,100</u>	<u>\$ 65,047</u>	<u>\$ 98,670</u>	<u>\$ 19,899</u>	<u>\$ 169,490</u>	<u>\$ 1,363,686</u>

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES
(See Notes to Financial Statements)
For the Year Ended December 31, 2019

	Program Services				Fundraising	General & Administrative	Total Expense
	Residential Services	Education & Training	Legal Services	Outreach Services			
Salaries	\$ 121,260	\$ 1,826	\$ 6,526	\$ 10,561	\$ 3,219	\$ 17,579	\$ 160,971
Hourly Wages	446,187	8,026	13,395	42,090	10,402	-	520,100
Contract Attorneys	70,572	-	40,439	-	-	-	111,011
Employee Benefits	26,528	113	-	917	1,191	30,815	59,564
Payroll Taxes	48,011	575	1,327	3,285	1,120	1,660	55,979
Supplies	11,892	-	-	11	-	113	12,016
Financial Assistance	8,850	-	42	4,116	-	-	13,008
Occupancy - Rent	12,037	-	-	2,931	-	-	14,968
Professional Fees	22,016	-	8,002	-	-	80,506	110,523
Computer Support	16,002	655	-	3,135	1,763	1,843	23,398
Community Development	-	-	-	40	-	733	773
Credit Card & Other Service Charges	1,577	-	-	-	349	464	2,389
Depreciation	49,070	-	-	-	-	-	49,070
Dues & Subscriptions	1,368	-	-	-	-	130	1,498
Equipment Rental	6,649	-	-	-	-	4,978	11,627
Fundraising	-	-	-	-	22,178	-	22,178
Insurance	58,886	-	-	-	-	6,372	65,258
Interest Expenses	9,981	-	-	-	-	-	9,981
Office Supplies	5,224	90	-	10	-	3,711	9,035
Other Expenses	1,216	50	-	238	134	140	1,778
Postage & Delivery	3	-	-	-	10	4	17
Property Taxes	15,231	-	-	3,709	-	-	18,939
Repairs & Maintenance	23,543	-	-	-	-	964	24,507
Security-Contract Labor	15,545	-	-	-	-	-	15,545
Telephone	17,446	-	-	2,069	-	4,872	24,387
Travel Expenses	544	48	-	168	13	8	781
Utilities	19,171	-	-	1,348	-	16,733	37,252
	<u>\$ 1,008,807</u>	<u>\$ 11,383</u>	<u>\$ 69,731</u>	<u>\$ 74,629</u>	<u>\$ 40,379</u>	<u>\$ 171,625</u>	<u>\$ 1,376,554</u>

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
(See Notes to Financial Statements)
For the Years Ended December 2020 and 2019

	<u>2020</u>	<u>2019</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (99,344)	\$ 1,239,036
Adjustments to Reconcile Change in Net Assets to Net Cash		
Depreciation	62,563	49,069
Receipt of Donated Property Included in Revenues		
Without Donor Restrictions	-	(1,190,000)
Decrease (Increase) in Assets:		
Grants Receivable	63,665	(34,966)
Other Receivables	2,241	(2,390)
Prepaid Expenses & Other Current Assets	(1,385)	(5,345)
Deposits	(3,082)	(2,561)
(Decrease) Increase in Liabilities:		
Accounts Payable	(30,555)	18,863
Accrued Expenses and Payroll Liabilities	(18,680)	(14,806)
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(24,577)</u>	<u>56,900</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Building Improvements	-	(12,113)
NET CASH USED BY INVESTING ACTIVITIES	<u>-</u>	<u>(12,113)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments to) Receipts from Line of Credit	(150)	5,150
Proceeds from PPP Loan	149,700	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>149,550</u>	<u>5,150</u>
Net Increase in Cash and Cash Equivalents	124,973	49,937
Cash and Cash Equivalents at Beginning of Year	<u>263,966</u>	<u>214,029</u>
Cash and Cash Equivalents at End of Year	<u>\$ 388,939</u>	<u>\$ 263,966</u>
Supplemental Disclosure of Cash Flow Information		
Interest Paid	\$ 9,123	\$ 9,981

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – Iris Domestic Violence Center is a Louisiana non-profit agency incorporated in 1984 to administer programs to assist battered women and their children in the Baton Rouge area and six other surrounding parishes. Such programs include a 24-hour hotline, counseling, advocacy, education, training, legal, and temporary emergency shelter. Iris Domestic Violence Center is supported by primarily through donor contributions, Federal, State, and Local grants and contracts, and contributions from the Capital Area United Way.

Basis of Accounting – Iris Domestic Violence Center prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Financial Statement Presentation – Iris Domestic Violence Center reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity. Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of Iris Domestic Violence Center, the environment in which it operates, the purposes specified in corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Iris Domestic Violence Center has both net assets without donor restrictions and net assets with donor restrictions as of December 31, 2020 and 2019.

Revenue Recognition – Revenue is recognized when earned. Grants, program service fees, and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. There were no conditional promises for the years ended December 31, 2020 and 2019.

Revenue With and Without Donor Restrictions – Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires, 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.

Concentration of Credit Risk – With regard to receivables, credit risk is limited because the majority of Iris Domestic Violence Center's receivables consist of grants related to other governmental entities. Generally, Iris Domestic Violence Center does not require collateral or other securities to support its accounts receivable.

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are used primarily when accounting for depreciation.

Cash and Cash Equivalents – For purposes of the Statement of Cash Flows, Iris Domestic Violence Center considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Grants Receivable – Management believes that grants receivable as reflected in the accompanying financial statements are collectible in full, therefore no allowance has been recorded at December 31, 2020 and 2019. Iris Domestic Violence Center evaluates the collectability of its grants receivable on an individual claim basis.

Prepaid Expenses – Iris Domestic Violence Center records insurance and similar services which extend over more than one fiscal year as prepaid expenses.

Property and Equipment – Iris Domestic Violence Center's policy is to capitalize property and equipment greater than \$5,000. Lesser amounts are expensed, and maintenance and repairs are charged against earnings when incurred. Property and equipment purchased by the Organization is recorded at cost at the date of acquisition. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis.

Donated Property and Equipment – Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. During the year ended December 31, 2019, Iris Domestic Violence Center received donated property with a fair value of \$1,900,000.

Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Tax Status – Iris Domestic Violence Center is organized as a non-profit organization that is exempt from taxes under Section 501(c)(3) of the Internal Revenue Code. Iris Domestic Violence Center follows the provisions of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management believes that it has no material uncertain tax positions and, accordingly, has not recognized a liability for any tax obligations.

Donated Services – No amounts have been reflected in the financial statements for donated services. Iris Domestic Violence Center generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the entity with assistance programs.

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising – Iris Domestic Violence Center follows the policy of charging the costs of advertising to expense as incurred. There was no advertising expense incurred for the years ended December 31, 2020 and 2019, respectively.

NOTE 2: ADOPTION OF NEW ACCOUNTING STANDARDS

Effective January 1, 2020, Iris Domestic Violence Center adopted the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU was issued to update its revenue recognition standard to clarify the principles of recognizing revenue and eliminate industry specific guidance as well as help financial statements users better understand the nature, amount, timing, and uncertainty of revenue that is recognized. Primarily, the update requires Iris Domestic Violence Center to evaluate the various performance obligations related to its contracts. The adoption of this standard did not result in any changes in the way Iris Domestic Violence Center recognized revenue and therefore no changes to the previously issued financial statements were required. Based on the review of grant contracts and contribution documentation, management has determined this ASU does not have a significant impact of the financial statements.

Effective January 1, 2020, Iris Domestic Violence Center adopted the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2018-08, *Not for Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This ASU was issued to assist in evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance. This ASU was also made to assist in determining whether a contribution is conditional. The adoption of ASU 2018-08 did not have a material impact on Iris Domestic Violence Center's financial statements

NOTE 3: GRANTS RECEIVABLE

Grants receivable at December 31, were as follows:

	<u>2020</u>	<u>2019</u>
Department of Children & Family Services Grant	\$ 52,203	\$ 72,915
La Coalition Against Domestic Violence	8,760	-
La Commission of Law Enforcement & Administration	<u>89,259</u>	<u>140,972</u>
TOTAL	<u>\$ 150,222</u>	<u>\$ 213,887</u>

NOTE 4: COMPENSATED ABSENCES

As of December 31, 2020 and 2019, Iris Domestic Violence Center's accumulated paid time off (PTO) was \$20,313 and \$14,271, respectively, which is classified as payroll liabilities on the statements of activities.

NOTE 5: RETIREMENT PLAN

Iris Domestic Violence Center provides a 403(b) Thrift Plan to employees completing twelve months of employment and 1,000 service hours. The employee can make voluntary pre-tax contributions from their salary. The employer matches contributions up to six percent of the employee's compensation. During the fiscal years ending December 31, 2020 and 2019, Iris Domestic Violence Center contributed \$11,701 and \$12,112, respectively, to the Plan.

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 6: PAYCHECK PROTECTION PROGRAM NOTE PAYABLE

During the year, Iris Domestic Violence Center was granted a loan (the "Loan") in the aggregate amount of \$149,700 pursuant to the Paycheck Protection Program under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The Loan, which was in the form of a note dated May 14, 2020, issued by the Borrower, bears interest at a rate of 1% per annum, and has a maturity date of August 29, 2023. The note may be prepaid by the borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before 24 weeks after the initial funding date. Iris Domestic Violence Center intends to use the entire loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

The balance due as of December 31, 2020 was \$149,700.

Future maturities for this note are as follows:

Year 2021	\$ 29,499
Year 2022	75,695
Year 2023	<u>44,506</u>
	<u>\$ 149,700</u>

NOTE 7: LINE OF CREDIT

Iris Domestic Violence Center has a revolving line of credit for up to \$105,000 that is due on demand. The line of credit had an outstanding balance at December 31, 2020 and 2019 of \$105,000 and \$105,150, respectively. Interest on the line of credit is payable monthly and carries a rate of 2% over prime (5.25% at December 31, 2020).

NOTE 8: CONCENTRATIONS OF CREDIT RISK

Iris Domestic Violence Center may be subject to credit risk to its cash and cash equivalents investments, which are placed with financial institutions. The Federal Deposit Insurance Corporation ("FDIC") insures up to \$250,000 for substantially all depository accounts. From time to time, Iris Domestic Violence Center may have amounts on deposit in excess of FDIC limits.

NOTE 9: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following purposes at December 31:

	<u>2020</u>	<u>2019</u>
Wilson Foundation Grant	\$ 25,000	\$ -
Williams Montan Grant	20,000	-
FEMA	<u>91,961</u>	<u>91,961</u>
TOTAL	<u>\$ 136,961</u>	<u>\$ 91,961</u>

Net assets released from restrictions during the year ended December 31, 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Verizon Foundation-Kids Zone	-	5,814
WEMT Grant	-	<u>10,000</u>
TOTAL	<u>\$ -</u>	<u>\$ 15,814</u>

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 10: CONCENTRATION OF SUPPORT

Iris Domestic Violence Center receives the majority of its funds through government grants and contracts. For the years ended December 31, 2020 and 2019, Iris Domestic Violence Center received approximately 37% and 22%, respectively, of its revenues from state and local government grants and contracts, and 53% and 46%, respectively, from federal government grants and contracts.

NOTE 11: CONTINGENCIES

Iris Domestic Violence Center receives the majority of its revenues from governmental grants and contracts, all of which are subject to audit by the government. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and are subject to audit by the government. Until such audits, if any, there exists a contingency to refund any amount received in excess of allowable cost. Management is of the opinion that no material liability will result from such audits.

NOTE 12: INCOME TAXES

In 2009, Iris Domestic Violence Center adopted the recent accounting guidance related to accounting for uncertainty in income taxes, which sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. Iris Domestic Violence Center's administration recognizes the effect of income tax positions only if the positions are more likely than not of being sustained. Recognized income tax positions are recorded at the largest amount that is greater than 50% likely of being realized. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs. The entity's administration has evaluated its position regarding the accounting for uncertain income tax positions and does not believe that it has any uncertain tax positions. With few exceptions, Iris Domestic Violence Center is no longer subject to federal, state, or local tax examinations by tax authorities for years before 2017.

NOTE 13: OPERATING LEASES

In 2018 Iris Domestic Violence Center entered into a 5-year lease for the use of a copy machine. The lease requires monthly payments of \$659 plus charges for usage of the copier. For the years ended December 31, 2020 and 2019 rent expense was \$11,707 and \$11,627, respectively. Future minimum lease payments are \$7,908 for 2020, 2021, 2022 and \$3,954 for 2023.

Iris Domestic Violence Center has a month to month lease for office space in Ascension parish. The lease requires monthly payments of \$950 per month. Rent expense was \$11,400 for December 31, 2020 and 2019.

Iris Domestic Violence Center has a month to month lease for office space in Iberville parish. The lease requires monthly payments of \$350 per month. Rent expense was \$4,200 for December 31, 2020 and 2019.

NOTE 14: RISK MANAGEMENT

Iris Domestic Violence Center is exposed to various risks of loss related to the areas of employee injuries and illness, damage to and destruction of assets, errors and omissions, and unemployment compensation. To handle such risk of loss, Iris Domestic Violence Center maintains commercial insurance policies covering its real and personal property, automobiles, general liability, professional liability, group health and unemployment compensation through individually purchased policies. There have been no significant reductions in the insurance coverage during the year.

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 15: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Iris Domestic Violence Center's financial assets as of the statement of financial position date, reduced by any amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

	<u>2020</u>	<u>2019</u>
Current Assets, excluding nonfinancial assets	\$ 539,310	\$ 480,243
Less those unavailable for general expenditures within one year:		
Donor restrictions for specific purposes	<u>(136,961)</u>	<u>(91,961)</u>
Financial Assets available to meet cash needs for General expenditures within one year	<u>\$ 402,349</u>	<u>\$ 388,282</u>

NOTE 16: SUBSEQUENT EVENTS

The Company has evaluated all subsequent events through July 20, 2021, the date the financial statements were available to be issued. Management noted no subsequent events that required adjustment to, or disclosure in, these financial statements.

Iris Domestic Violence Center's operations may be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on the Iris Domestic Violence Center's financial position, operations and cash flows. Possible effects may include, but are not limited to, disruption to the Iris Domestic Violence Center's revenues and workforce.

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, LouisianaSCHEDULE OF COMPENSATION, BENEFITS & OTHER
PAYMENTS TO AGENCY HEAD
For the Year Ended December 31, 2020

Agency/Title: John Price, Executive Director

Purpose	Amount
Salary	\$ 96,208
Benefits - Retirement	11,757
Reimbursements	<u>100</u>
TOTAL COMPENSATION, BENEFITS AND OTHER PAYMENTS	<u>\$ 108,065</u>



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CPAs & Financial Advisors

INDEPENDENT AUDITORS' 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
Iris Domestic Violence Center

We have audited, 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, the financial statements of Iris Domestic Violence Center (a not for profit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, 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 July 20, 2021.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Iris Domestic Violence Center's 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 the Iris Domestic Violence Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Iris Domestic Violence Center's 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 over financial reporting 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 Iris Domestic Violence Center's financial statements are free of 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*.

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.

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
July 20, 2021

IRIS DOMESTIC VIOLENCE CENTER
Baton Rouge, Louisiana

SUMMARY OF FINDINGS AND RESPONSES
Year Ended December 31, 2020

NO FINDINGS NOTED

SUMMARY OF PRIOR YEAR FINDINGS AND RESPONSES
Year Ended December 31, 2019

NO FINDINGS NOTED