

Financial Report

(Reviewed)

SilenceIsViolence

December 31, 2020

Financial Report

(Reviewed)

SilenceIsViolence

December 31, 2020

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SilenceIsViolence
New Orleans, Louisiana

December 31, 2020 and 2019

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors,
SilenceIsViolence,
New Orleans, Louisiana.

We have reviewed the accompanying financial statements of SilenceIsViolence (the "Organization"), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

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

Accountant's Conclusion

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

Summarized Comparative Information

We previously reviewed the Organization's 2019 financial statements and in our conclusion dated July 23, 2020, stated that based on our review, we were not aware of any material modifications that should be made to the 2019 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2019, for it to be consistent with the reviewed financial statements from which it has been derived.

Supplementary Information

The supplementary information included in the accompanying Schedule 1 is presented for purposes of additional analysis and is required by Louisiana Revised Statute 24:513(A)(3) and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the information and, accordingly, do not express an opinion on such information.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
June 2, 2021.

STATEMENT OF FINANCIAL POSITION

SilenceIsViolence
New Orleans, Louisiana

December 31, 2020
(with comparative totals for 2019)

See Independent Accountant's Review Report

	<u>2020</u>	<u>2019</u>
Assets		
Cash	\$ 15,137	\$ 1,968
Grants receivable	<u>128,963</u>	<u>172,452</u>
Total assets	<u>\$ 144,100</u>	<u>\$ 174,420</u>
Liabilities		
Accounts payable and accrued liabilities	\$ 98,858	\$ 150,135
Notes payable	4,264	9,617
Loan from related party	<u>-</u>	<u>3,735</u>
Total liabilities	103,122	163,487
Net Assets		
Without donor restrictions	<u>40,978</u>	<u>10,933</u>
Total liabilities and net assets	<u>\$ 144,100</u>	<u>\$ 174,420</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES

SilenceIsViolence
New Orleans, Louisiana

For the year ended December 31, 2020
(with comparative totals for 2019)

See Independent Accountant's Review Report

	<u>2020</u>	<u>2019</u>
Revenues and Support		
Government grants	\$69,147	\$195,062
Private grants	42,500	28,500
Contributions	37,194	21,243
Other income	<u>15,000</u>	<u>1,723</u>
Total revenues and support	<u>163,841</u>	<u>246,528</u>
Expenses		
Program services	95,474	172,591
Supporting services:		
General	<u>38,322</u>	<u>63,227</u>
Total expenses	<u>133,796</u>	<u>235,818</u>
Change in Net Assets	30,045	10,710
Net Assets		
Beginning of year	<u>10,933</u>	<u>223</u>
End of year	<u><u>\$40,978</u></u>	<u><u>\$ 10,933</u></u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES**SilenceIsViolence**
New Orleans, LouisianaFor the year ended December 31, 2020
(with comparative totals for 2019)

See Independent Accountant's Review Report

	Program Services	General	Totals	
			2020	2019
Salaries and benefits	\$68,480	\$22,827	\$ 91,307	\$172,113
Professional fees	1,717	6,868	8,585	11,334
Rent	6,288	2,096	8,384	7,440
Other expenses	5,450	1,816	7,266	2,537
Payroll taxes	5,188	1,729	6,917	12,394
Supplies	2,293	765	3,058	4,729
Travel	3,030	-	3,030	5,949
Telephone and internet	1,642	547	2,189	5,120
Insurance	747	249	996	2,194
Food	639	213	852	3,607
Fines and fees	-	499	499	-
Interest expense	-	388	388	569
Bank fees	-	325	325	188
Utilities	-	-	-	3,023
Professional development	-	-	-	2,919
Bad debt	-	-	-	1,000
Funeral services	-	-	-	452
Advocacy	-	-	-	250
Total expenses	<u>\$95,474</u>	<u>\$38,322</u>	<u>\$133,796</u>	<u>\$235,818</u>

See notes to financial statements.

STATEMENT OF CASH FLOWS

SilenceIsViolence
New Orleans, Louisiana

For the year ended December 31, 2020
(with comparative totals for 2019)

See Independent Accountant's Review Report

	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 30,045	\$ 10,710
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Related party loan forgiveness	(3,735)	(3,000)
Bad debt	-	1,000
Increase in assets:		
Grants receivable	43,489	(64,483)
Other receivables	-	565
Increase in liabilities:		
Accounts payable and accrued liabilities	(51,277)	58,391
Bank overdraft	-	(77)
Net cash provided by operating activities	<u>18,522</u>	<u>3,106</u>
Cash Flows From Financing Activities		
Repayment notes payable	(5,353)	(222)
Repayments on loan from related party	-	(916)
Net cash used in financing activities	<u>(5,353)</u>	<u>(1,138)</u>
Increase in Cash	13,169	1,968
Cash		
Beginning of year	<u>1,968</u>	<u>-</u>
End of year	<u>\$ 15,137</u>	<u>\$ 1,968</u>
Supplemental Information		
Cash paid during the year for interest	<u>\$ 388</u>	<u>\$ 569</u>
See notes to financial statements.		

NOTES TO FINANCIAL STATEMENTS

SilenceIsViolence
New Orleans, Louisiana

December 31, 2020 and 2019

Note 1 - NATURE OF ACTIVITIES

SilenceIsViolence (a non-profit organization) (the "Organization") was established on November 19, 2003. The Organization is a social enterprise whose mission is to call upon both citizens and public officials to achieve a safe New Orleans across all communities.

The Organization provides direct victim services, creative youth engagement, and public advocacy, working with clients and partners from every sector to achieve safe, just, and thriving communities.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a. Basis of Accounting**

The financial statements of the Organization have been prepared in conformity with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting; revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

b. Basis of Presentation

The Organization reports information regarding financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, based on donor stipulations and restrictions placed on contributions, if any. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time, or net assets that are maintained in perpetuity by the Organization and not expended. There were no net assets with donor restrictions as of December 31, 2020 and 2019.

c. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

d. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents. There were no cash equivalents as of December 31, 2020 and 2019.

e. Promises to Give

Unconditional promises to give are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. There were no promises to give as of December 31, 2020 and 2019.

f. Revenue Recognition

Revenues from Exchange Transactions: The Organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, *Revenues from Contracts with Customers*, as amended. ASU No. 2014-09 applies to exchange transactions with customers and donors that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The adoption of this standard did not have a material affect of the financial statements.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Contributions

Contributions are recorded as assets with donor restrictions or assets without donor restrictions, depending on the existence or nature of any donor restrictions. Support that is restricted by a donor is reported as an increase in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a 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. Donor restricted contributions whose restrictions are met in the same reporting periods are reported as unrestricted support.

h. Donated Services of Volunteers

Donated services have not been reflected in the financial statements since no objective basis is available to measure the value of such services. A substantial number of volunteers donate significant amounts of their time in program and supporting services.

i. Methods Used for Allocated Expenses

Many of the expenses can be directly allocated to the program or supporting functions. The financial statements also report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include facility expenses (rent, supplies, utilities, repairs and maintenance, and telephone and internet), insurance, and other operations expenses which are allocated based on facility space. Salaries and benefits and payroll taxes are allocated on the basis of estimates of time and effort.

j. Income Taxes

The Organization has received a letter of determination from the Internal Revenue Service advising that it qualifies as a non-profit corporation under Section 501 (c)(3) of the Internal Revenue Code, and therefore, is not subject to income tax.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Income Taxes (Continued)

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosures of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. Tax years ended December 31, 2017 and later remain subject to examination by the taxing authorities. As of December 31, 2020, management of the Organization believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

k. Recently Issued Accounting Standards

Leases

In February 2016, the FASB issued ASU No. 2016-02, "*Leases*" (Topic 842). ASU No. 2016-02 requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the Statement of Activities and the Statement of Cash Flows will be substantially unchanged from the existing lease accounting guidance. The ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is currently evaluating the full effect that the adoption of this standard will have on the financial statements.

l. Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through June 2, 2021, which is the date the financial statements were available to be issued.

Note 3 - CONCENTRATION OF CREDIT RISK

The Organization maintains cash accounts in a local financial institution. The Federal Deposit Insurance Corporation insures accounts at the financial institution up to \$250,000 as of December 31, 2020. As of December 31, 2020, the Organization did not have any funds that were not insured.

During the years ended December 31, 2020 and 2019, the Organization's major source of revenue was from one government grant totaling \$69,147 (42% of total revenue) and \$195,062 (79% of total revenue), respectively.

Note 4 - NOTES PAYABLE

On May 30, 2017, the Organization entered into a note payable in the amount of \$13,771 with a local financial institution. The note is due in 60 monthly installments of principle and interest of \$270 and matures on May 30, 2022. The note payable bears interest at a rate of 6.5% and is unsecured.

The balance of the note payable as of December 31, 2020 and 2019 was \$4,264 and \$7,117, respectively.

On October 29, 2019, the Organization entered into a note payable in the amount of \$2,500 with a local non-profit organization to assist with expenses. The note was due immediately upon the receipt of grant funds in excess of \$25,000. The note payable did not bear interest and was unsecured. The balance of this note was \$2,500 as of December 31, 2019. The note was paid in full during the year ended December 31, 2020.

Interest expense on notes payable totaled \$388 and \$569 for the years ended December 31, 2020 and 2019, respectively.

Scheduled maturities of debt instruments referred to above as of December 31, 2020 are as follows:

<u>Year Ending December 31,</u>	
2021	\$ 2,980
2022	<u>1,284</u>
Total	<u>\$ 4,264</u>

Note 5 - AVAILABILITY OF FINANCIAL ASSETS

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Organization receives grants and contributions without donor restrictions. Contributions without donor restrictions are considered to be available to meet cash needs for general expenditures. General expenditures include program services, and general and administrative expenses. Annual operations are defined as activities occurring during, and included in the budget for, the upcoming fiscal year.

The following table represents financial assets available for general expenditures within one year as of December 31, 2020 and 2019.

	2020	2019
Financial assets as of December 31,:		
Cash and cash equivalents	\$ 15,137	\$ 1,968
Grants receivable	128,963	172,452
Total financial assets, as of December 31, available to meet cash needs for general expenditures within one year	\$144,100	\$174,420

Note 6 - RISK MANAGEMENT

The Organization is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and employee injuries. Commercial insurance coverage is purchased for claims arising from such matters. There were no settlement claims that exceeded this commercial coverage during the years ended December 31, 2020 and 2019.

Note 7 - BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board. Accordingly, no compensation was paid to any Board member for the years ended December 31, 2020 and 2019.

Note 8 - RELATED PARTY TRANSACTIONS

As of December 31, 2019, the Organization had unsecured loans from a board member with an outstanding balance of \$3,735. The loan did not bear interest and the loan was due on demand. The loan was forgiven during the year ended December 31, 2020 and recognized as a contribution.

Note 9 - LEASES AND COMMITMENTS

The Organization entered into an operating lease agreement on November 1, 2019 for office space. Monthly lease payments are \$699 and the lease term is through October 31, 2022. Rent expense for the years ended December 31, 2020 and 2019 totaled \$8,384 and \$7,035 respectively.

The minimum future lease payments on the non-cancelable leases as of December 31, 2020 are as follows.

<u>Year Ending December 31,</u>	
2021	\$ 8,388
2022	<u>6,990</u>
Total	<u>\$15,378</u>

SUPPLEMENTARY INFORMATION

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

SilenceIsViolence
New Orleans, Louisiana

For the year ended December 31, 2020

Agency Head Name: Tamara Jackson, Executive Director

Purpose

Salary	\$55,387
Benefits - insurance	0
Benefits - retirement	0
Benefits - taxes	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	2,195
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0
	<hr/>
	<u>\$57,582</u>

SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

SCHEDULE OF FINDINGS AND RESPONSES

SilenceIsViolence
New Orleans, Louisiana

For the year ended December 31, 2020

Section I - Summary of Independent Accountant's Review Report

a) Financial Statements

A standard review report was issued.

Noncompliance material to financial
statements noted?

Yes No

b) Federal Awards

The Organization did not expend Federal awards in excess of \$750,000 during the year ended December 31, 2020.

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No financial reporting findings material to the basic financial statements were reported during the review of the financial statements for the year ended December 31, 2020.

Compliance and Other Matters

No compliance and other matters findings material to the basic financial statements were reported during the review of the financial statements for the year ended December 31, 2020.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

SilenceIsViolence
New Orleans, Louisiana

For the year ended December 31, 2020

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

2019-001 Late filing of Review Report with the Louisiana Legislative Auditor within Six Months of the Fiscal Year End (R.S. 24:513 and 24:514)

Recommendation - We recommend that the reviewed financial statements be filed on a timely basis with the Legislative Auditor.

Management's Corrective Action - Resolved - Management issued the reviewed financial statements for the year ended December 31, 2020 to the Louisiana Legislative Auditor on a timely basis and in compliance with Louisiana Revised Statutes 24:513 and 24:514.

Compliance and Other Matters

Finding 2019-001 is also considered a compliance finding.

MANAGEMENT'S CORRECTIVE ACTION PLAN

SilenceIsViolence
New Orleans, Louisiana

For the year ended December 31, 2020

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No financial reporting findings material to the basic financial statements were reported during the review of the financial statements for the year ended December 31, 2020.

Compliance and Other Matters

No compliance and other matters findings material to the basic financial statements were reported during the review of the financial statements for the year ended December 31, 2020.