

**FOR THE SILENT**

**Financial Statements**

**For the Year Ended December 31, 2020**

**FOR THE SILENT**  
**Table of Contents**

	<u><b>Page</b></u>
Independent Auditors' Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Statement of Functional Expenses	5
Notes to Financial Statements	6

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
For the Silent  
Tyler, Texas

We have audited the accompanying financial statements of For the Silent, which comprise the statements 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.

**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. 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 reasonableness 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 For the Silent as of December 31, 2020, 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.



ACKER & COMPANY  
Certified Public Accountants, PC  
Tyler, Texas  
July 15, 2021

**FOR THE SILENT  
STATEMENT OF FINANCIAL POSITION  
December 31, 2020**

	<u>2020</u>
<b>Assets:</b>	
Current Assets	
Cash and Cash Equivalents	\$ 115,118
Grants Receivable	61,577
Inventory	682
Total Current Assets	<u>177,377</u>
Property, Plant and Equipment	
Furniture and Equipment	11,402
Vehicles	34,596
Improvements	2,765
Total Property, Plant, & Equipment	<u>48,763</u>
Less: Accumulated Depreciation	<u>(25,569)</u>
Total Fixed Assets	<u>23,194</u>
<b>Total Assets</b>	<u><u>\$ 200,571</u></u>
<b>Liabilities and Net Assets:</b>	
Current Liabilities	
Accounts Payable	<u>-</u>
Total Current Liabilities	<u>-</u>
<b>Net Assets:</b>	
Without Donor Restrictions	200,571
With Donor Restrictions	<u>-</u>
Total Net Assets	<u>200,571</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 200,571</u></u>

See accompanying notes to financial statements.

**FOR THE SILENT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue:</b>			
Contributions	\$ 200,793	\$ -	\$ 200,793
In-Kind Contributions	7,400	-	7,400
Private Grants	8,500		8,500
Other	138	-	138
Program Services	-	-	-
Government Grants	41,420	222,507	263,927
Total Support and Revenue	258,251	222,507	480,758
<b>Net Assets Released from Restrictions</b>	222,507	(222,507)	-
Total	480,758	-	480,758
<b>Functional Expenses</b>			
Community Transformation	55,724	-	55,724
I Have a Voice	87,391	-	87,391
Survivor Care	69,754	-	69,754
VOCA	149,398	-	149,398
OVAG	39,176	-	39,176
OOG	55,721		55,721
Drop-in	18,597		18,597
Total Program	475,761	-	475,761
Management & General	87,333	-	87,333
Fundraising Costs	234	-	234
Total Functional Expenses	563,328	-	563,328
<b>Increase/(Decrease) in Net Assets</b>	(82,570)	-	(82,570)
			-
<b>Net Assets at Beginning of Year</b>	283,141	-	283,141
<b>Net Assets at End of Year</b>	\$ 200,571	\$ -	\$ 200,571

See accompanying notes to financial statements.

**FOR THE SILENT  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2020**

	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets	\$ (82,570)
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	8,139
(Increase) Decrease in:	
Inventory	-
Grants Receivable	(24,956)
Increase (Decrease) in:	
Accounts Payable	-
Net Cash Provided (Used) by Operating Activities	<u>(99,387)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Fixed Assets	<u>(8,150)</u>
Net Cash Used for Investing Activities	<u>(8,150)</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(107,537)
Cash and Cash Equivalents at Beginning of Year	<u>222,655</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 115,118</u></u>
Supplemental Schedule of Cash Flow Information:	
Cash Paid During the Period for:	
Interest	<u><u>\$ -</u></u>

See accompanying notes to financial statements.



**FOR THE SILENT**  
Statement of Functional Expenses  
For the Year Ended December 31, 2020

	Community Transformation	I Have a Voice	Survivor Care	Drop-In	VOCA	Assistance Grant (OVAG)	OOG	Total Program Expense	Management & General	Fundraising	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounting Fees	-	-	-	-	-	-	-	-	12,613	-	12,613
Bank & Credit Card Charges	-	1	-	-	-	-	-	1	3,832	-	3,833
Contract Labor	-	175	-	2,100	3,744	-	1,288	7,307	5,132	-	12,439
Depreciation	1,062	1,062	1,062	1,499	3,454	-	-	8,139	-	-	8,139
Gas	87	-	448	-	553	-	-	1,088	-	-	1,088
Insurance	-	-	-	-	1,678	-	-	1,678	6,954	-	8,632
Internet & Phone	176	548	772	797	1,772	120	-	4,185	408	-	4,593
Literature & Education Aides	-	-	155	69	-	-	-	225	39	-	264
Marketing	-	30	-	-	-	-	-	30	1,694	-	1,724
Meals & Ent	1,794	877	3,521	362	-	-	-	6,555	2,974	-	9,528
Merchandise Expense	7	-	-	-	-	-	-	7	-	-	7
Mileage Reimbursement	-	472	97	-	53	11	-	634	42	-	676
Miscellaneous	2,795	3,279	3,240	-	-	-	-	9,315	498	-	9,812
Office Equipment & Furniture	1,037	782	2,529	7,159	3,584	657	2,646	18,394	557	-	18,951
Office Supplies	96	177	1,368	1,978	1,198	-	323	5,140	3,070	-	8,210
Payroll	37,544	70,951	42,268	-	96,437	32,858	44,331	324,389	35,101	-	359,490
Payroll Taxes	2,872	5,428	3,233	-	7,378	2,514	3,391	24,816	2,685	-	27,502
Postage & Shipping	119	-	117	-	-	510	-	745	298	-	1,043
Printing & Reproduction	639	329	50	-	-	-	-	1,017	265	-	1,282
Program Supplies	200	966	1,120	-	-	-	2,009	4,296	-	-	4,296
Programs: I Have a Voice	-	345	-	-	-	-	-	345	-	-	345
Programs: Survivor Care	-	58	4,580	72	2,656	-	-	7,367	-	-	7,367
Rent	1,950	488	-	2,000	13,180	-	1,733	19,351	1,440	-	20,791
Sales Tax	-	-	-	-	-	-	-	-	27	-	27
Staff Development	3,105	586	3,474	-	2,030	530	-	9,724	5,984	-	15,708
Staff Wellness	-	180	-	-	-	-	-	180	-	-	180
Technology & Software	2,041	203	772	998	10,741	1,976	-	16,730	1,341	-	18,072
Travel	32	435	710	-	266	-	-	1,443	2,145	-	3,588
Utilities	-	19	19	1,562	674	-	-	2,274	-	-	2,274
Vehicle Maintenance	-	-	218	-	-	-	-	218	-	-	218
Website	168	-	-	-	-	-	-	168	234	234	636
	\$ 55,724	\$ 87,391	\$ 69,754	\$ 18,597	\$ 149,398	\$ 39,176	\$ 55,721	\$ 475,761	\$ 87,333	\$ 234	\$ 563,328

See accompanying notes to financial statements

**FOR THE SILENT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**Note 1 – Summary of Significant Accounting Policies**

(a) Organization and Nature of Activities

For the Silent (the Organization), a not-for-profit organization, was established in 2006 under the laws of the state of Texas. The Organization's primary objective is through prevention, survivor care, and community transformation programs working to end sex trafficking and exploitation by empowering the voices of vulnerable and exploited youth. The Organization is governed by a board of directors.

(b) Basis of Accounting

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

(c) Financial Statement Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board applicable to Not-for-Profit Organizations. Accordingly, the Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Contributions received are recorded as support with or without donor restrictions, depending on the existence or nature of any donor restrictions. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

(d) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid accounts with an original maturity of three-months or less as cash equivalents.

(e) Accounts Receivable

Grants receivable represents grant expenditures made by the Organization for which they have submitted a request for reimbursement at year end. All amounts were collected in 2021.



**FOR THE SILENT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

(f) Property and Equipment

Property and equipment are recorded at cost. Major additions and improvements are capitalized, while maintenance and repairs that do not extend the life of the respective asset are expensed when incurred. Donated property and equipment are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation is computed over the estimated useful life of the assets, generally ranging between 5 and 30 years, using the straight-line method. The Organization capitalizes assets with useful lives greater than one year and a value of more than \$1,750. Upon sale or other retirement of depreciable property, the cost and accumulated depreciation are removed from the account and any gain or loss is reflected in income.

(g) Use of 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 in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the revenues and expenses. Actual results could differ from those estimates.

(h) Inventory

Inventory consists of items for sale. Inventory is valued at the lower of cost or market.

(i) Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization received no cost-reimbursable grants that had not been recognized at December 31, 2020 because qualifying expenditures had not yet been incurred.

**FOR THE SILENT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

(j) In-Kind Donations and Contributed Services

Many volunteers have donated time and services to advance the Organization's programs and objectives. The values of these services have not been recorded in the financial statements because they do not meet the definition for recognition under accounting principles generally accepted in the U.S. Other non-cash donations received and recognized as revenue during 2020 in accordance with accounting principles generally accepted in the United States of America are discussed further in Note 4.

(k) Functional Expenses

The Organization allocated its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Various expenses have been allocated to management and general or fundraising based on management's best estimate of time spent in each area. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Office Salaries	Time and effort
Office Supplies	Percentage
Postage	Percentage

(l) Income Taxes

The Organization is exempt from federal income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activity. For the year ended December 31, 2020, the Organization has no tax due on unrelated business income.

The Organization has evaluated its uncertain tax positions and has not identified any material uncertain tax positions that would not be sustained in a federal or state income tax examination or that require disclosure. Accordingly, no provision for uncertainties in income taxes has been made in the accompanying financial statements. The years 2018 to 2020 remain open for examination by taxing authorities.

**FOR THE SILENT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

(m) New Accounting Pronouncement

The Organization has adopted Accounting Standards Update (ASU) No. 2018-08 Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605) and (ASU) No 2014-05 Revenue from Contracts with Customers (Topic 606) as management believes the standards improve the usefulness and understandability of the Organization’s financial reporting.

Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

(n) Rent

The Organization rents its offices on a month to month basis. Total rental expense for 2020 was \$12,300. During 2020, the Organization rented a “Drop-in” facility for \$1,000 on a month to month basis. Total rent for that facility was \$9,000.

**Note 2 –Fixed Assets**

Fixed assets and related accumulated depreciation at December 31, 2020 are summarized as follows:

	<u>2020</u>
Furniture & Fixtures	\$ 11,402
Vehicles	34,596
Improvements	<u>2,765</u>
	48,763
Accumulated Depreciation	<u>(25,569)</u>
Total Fixed Assets	<u><u>\$ 23,194</u></u>

Depreciation expense for the year ended December 31, 2020 was \$8,139.

**Note 3 – Concentration of Credit Risk**

The cash balances of the Organization are held in various financial institutions. If cash balances exceed the amounts covered by insurance provided by the Federal Deposit Insurance Corporation (“FDIC”), the excess balances could be at risk of loss. As of December 31, 2020, there was no cash at risk of loss.



**FOR THE SILENT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**Note 4 – In-Kind Donations**

The following is a summary of non-cash donations of materials, services, and equipment received during the year ended December 31, 2020:

	2020
Silent Auction Items	\$ 14,409

**Notes 5 – Date of Management’s Review**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 15, 2021, the date that the financial statements were available to be issued.

**Notes 6 – Net Assets with Donor Restrictions**

The Organization has no net assets with donor restrictions at December 31, 2020.

**Notes 7 – Availability and Liquidity**

The Organization regularly monitors liquidity required to meet its operating needs. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents.

In addition to financial assets available to meet general expenditures over the next twelve months, the Organization anticipates collecting sufficient contributions to cover general expenditures.

The following represents the Organization’s financial assets that could readily be made available within one year of the balance sheet date to meet general expenditures:

	2020
Financial Assets at Year-End:	
Cash and Cash Equivalents	\$ 115,118
Grants Receivable	61,577
Total Financial Assets	\$ 176,695
Less Amounts Not Available to be Used Within One Year:	
Net assets With Donor Restrictions	-
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 176,695</u>