

MANY VOICES

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED
DECEMBER 31, 2014 AND 2013**

MANY VOICES

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Many Voices

We have audited the accompanying financial statements of Many Voices (the Organization), which comprise the statements of financial position as of December 31, 2014 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. The prior year summarized comparative information has been derived from the Organization's 2013 financial statements, and in our report dated March 19, 2014, we expressed an unqualified opinion on those 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 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

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effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2014 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Key & Associates, PC". The signature is written in a cursive, slightly slanted style. The ampersand is clearly visible. The signature is placed on a light-colored, rectangular background that appears to be a stamp or a piece of paper.

Silver Spring, Maryland
June 30, 2015

MANY VOICES
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

ASSETS

	2014	RESTATED 2013
CURRENT ASSETS		
Cash and cash equivalents	\$ 138,614	\$ 130,620
Prepaid expenses	1,064	906
Total current assets	139,678	131,526
 PROPERTY AND EQUIPMENT		
Computer Equipment	3,111	-
Less: accumulated depreciation	(379)	-
Total property and equipment	2,732	-
 TOTAL ASSETS	\$ 142,410	\$ 131,526

The Accompanying Notes are an Integral Part of these Financial Statements.

LIABILITIES AND NET ASSETS

	<u>2014</u>	<u>RESTATED 2013</u>
CURRENT LIABILITIES		
Accounts payable	\$ -	\$ 5,306
Total current liabilities	<u>-</u>	<u>5,306</u>
NET ASSETS		
Unrestricted	42,410	-
Restricted	100,000	126,220
Total net assets	<u>142,410</u>	<u>126,220</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 142,410</u></u>	<u><u>\$ 131,526</u></u>

MANY VOICES
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(With Summarized Financial Information for the year ending December 31, 2013)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2014 Total</u>	<u>RESTATED 2013 Total</u>
SUPPORT AND REVENUE				
Grants	\$ 80,000	\$100,000	\$ 180,000	\$ 200,000
Contributions	31,043	-	31,043	31,777
In-kind donations	68,500	-	68,500	63,000
Other income	3,838	-	3,838	2,214
Fundraisers	-	-	-	-
Total support and revenue	183,381	100,000	283,381	296,991
EXPENSES				
Program Services				
Programs	189,850	-	189,850	128,400
NC Programs	55,064	-	55,064	37,849
Total program services	244,914	-	244,914	166,249
Supporting Services				
Fundraising	9,557	-	9,557	11,860
Administrative	12,720	-	12,720	25,939
Total supporting services	22,277	-	22,277	37,799
Total expenses	267,191	-	267,191	204,048
CHANGE IN NET ASSETS	(83,810)	100,000	16,190	92,943
NET ASSETS, BEGINNING OF YEAR	126,220	-	126,220	33,277
NET ASSETS, END OF YEAR	\$ 42,410	\$100,000	\$ 142,410	\$ 126,220

The Accompanying Notes are an Integral Part of these Financial Statements.

MANY VOICES
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(With Summarized Financial Information for the year ending December 31, 2013)

	<u>Programs</u>	<u>NC Programs</u>	<u>Total Programs</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>2014 Total Expenses</u>	<u>RESTATED 2013 Total Expenses</u>
Salaries and Wages	\$ 41,417	\$ 29,000	\$ 70,417	\$ -	\$ 8,333	\$ 78,750	\$ 57,500
Benefits	6,087	4,262	10,349		1,224	11,573	8,188
Total Salaries and benefits	47,504	33,262	80,766	-	9,557	90,323	65,688
Accounting fees		1,752	1,752	9,926		11,678	6,776
Bank fees		-	-	52		52	526
Communications	30,000	3,000	33,000			33,000	6,581
Conference, convention, meeting	4,049	-	4,049			4,049	1,029
Credit card processing fees	-	-	-	378		378	387
Data services	-	-	-	-		-	2,644
Designer	11,300	2,250	13,550		-	13,550	11,943
Contract Service: Videographer	10,850		10,850			10,850	-
Donated professional services	58,225	10,275	68,500	-	-	68,500	63,000
Fundraising fees			-		-	-	306
Honoraria	300	-	300			300	450
Insurance - non-employee	-	265	265	1,503		1,768	2,480
Internet/Web/Hosting fees	4,384	774	5,158	-		5,158	5,363
Marketing expenses	135		135			135	129
Meals and lodging	4,117	-	4,117			4,117	2,176
Membership dues - organization			-	-		-	49
Organizational (corp) expenses	3,816	673	4,489	-	-	4,489	1,574
Payroll Service Fees	562	-	562			562	557
Postage, shipping, delivery	343		343	-	-	343	554
Printing & copying	1,287	1,930	3,217	-	-	3,217	1,147
Professional fees-others	200	-	200			200	20,375
Supplies	1,176		1,176			1,176	460
Telephone & telecommunications	1,197	798	1,995			1,995	1,880
Temporary Help- contract	5,200		5,200		-	5,200	1,338
Transportation	4,771	-	4,771	-		4,771	5,563
Rent, Parking, other Occupancy	22		22			22	-
Equipment Rental & Maintenance	326		326			326	-
Depreciation & Amortization expenses				379		379	-
Workers Comp Insurance	-	85	85	482		567	1,073
Other Expenses	86		86			86	-
Total Other Expenses	142,346	21,802	164,148	12,720	-	176,868	138,360
Total expenses	\$ 189,850	\$ 55,064	\$ 244,914	\$ 12,720	\$ 9,557	\$ 267,191	\$ 204,048

The Accompanying Notes are an Integral Part of these Financial Statements.

MANY VOICES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	RESTATED 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 16,190	\$ 103,836
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation	379	-
Prior Period adjustment	-	1,100
Change in assets and liabilities:		
(Increase) Decrease in:		
Prepaid expenses	(158)	783
Increase (Decrease) in:		
Accounts payable	(5,306)	(5,306)
Net cash provided by operating activities	11,105	100,413
CASH FLOWS FROM INVESTING ACTIVITIES		
Website development costs	-	(10,893)
Furniture, Fixture & Equipment	(3,111)	
Net cash provided by investing activities	(3,111)	(10,893)
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,994	89,520
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	130,620	41,100
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 138,614	\$ 130,620
SUPPLEMENTAL CASH FLOW INFORMATION		
Actual cash payments for:		
Cash paid for interest	\$ -	\$ -

The Accompanying Notes are an Integral Part of these Financial Statements.

MANY VOICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY ACCOUNTING POLICIES

Nature of Organization

Many Voices (the Organization) was founded in 2010 to offer an online resource center for the many who were not being served by the LGBT-focused programs within the mainline.

In 2012, the Organization was incorporated in the District of Columbia as a non-profit 501(c)(3) organization. The mission of the organization is educating the public about the benefits of creating a welcoming community of faith and empowering Protestant pastors and church members to include and affirm lesbian, gay, bisexual and transgender people as an expression of God's unconditional love.

Accounting Method

The Organization has adopted the accrual basis of accounting in the preparation of its financial statements. Consequently, revenue is recognized when earned rather than when cash is received and expenses and purchases of assets are recognized when the obligation is incurred rather than when cash is disbursed.

Basis of Presentation

Under this guidance, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. Unconditional promises to give (pledges) are recorded as receivables and revenues and the Organization distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the three net asset categories follows:

- Permanently Restricted - the portion of the net assets resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- Temporarily Restricted - the portion of the net assets resulting from contributions or other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

MANY VOICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

- Unrestricted - the portion of the net assets that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

Grants Receivable

The Organization uses the allowance method to record grants receivable at their estimated net realizable value. The allowance for doubtful accounts is based on various factors, including management's analysis of the collectability of the accounts and current economic conditions. A provision for doubtful accounts is made when collection of the full amount is no longer probable. Management believes that all receivables are fully collectible and that no provision for doubtful accounts is necessary.

Classification of Net Assets

The net assets of the Organization are reported as follows:

- Unrestricted net assets represent the portion of expendable funds that are available for support of the Organization's operations.
- Temporarily restricted net assets represent amounts that are specifically restricted by donors or grantors for various programs or for specific periods.

Revenue Recognition

Grants are recorded as revenue and support in the year in which notification is received from the grantor. Grants are considered available for unrestricted use, unless specifically restricted by the grantor. Amounts received that are designated for future periods or restricted by the grantor for specific purposes are reported as temporarily restricted revenue and support. When a grantor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statement of activities as net assets released from restrictions.

MANY VOICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Grants that have been committed to the Organization, but have not been received as of year-end, are reflected as grants receivable in accompanying statement of financial position. Unconditional promises to give that are expected to be collected within one-year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates appropriate for the expected term of the promise to give. Amortization of the discount is included in grants in the accompanying statement of activities.

Grants Expense Recognition

Unconditional grants are expensed in the year that the grant commitment is made to the grantee. Grant amounts not transferred immediately to partner organizations in the year the grant commitment was made are recorded as grants payable in the accompanying statement of financial position. Conditional grants are not included as expenses until such time as the conditions are substantially met.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated proportionately among the programs and supporting services benefited on the basis of direct costs.

Fixed Assets

Property and equipment are recorded at the original cost to the Organization, or if donated, the appraised value at the time of donation. The assets are depreciated using the estimated useful lives of the respective assets on a straight-line basis. Costs of repairs and maintenance are expensed as incurred.

Depreciation

The Organization capitalizes expenditures for property and equipment over \$1,000. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Computer Equipment is being depreciated over 5 years.

MANY VOICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax

The Organization is recognized by the Internal Revenue Service as a non-profit organization under Section 501(c)(3) of the Internal Revenue Code as other than a private foundation. Therefore, contributions to the Organization are tax deductible under Section 170 of the Internal Revenue Code.

The Organization follows the guidance of the Financial Accounting Standards Board Accounting Standards Codification 740-10, Accounting for Uncertainty of Income Taxes which clarifies the accounting for the recognition and measurement of the benefits of individual tax position in the financial statements, including those non-profit organizations. Tax positions must meet a recognition threshold of more-likely-than-not in order for the benefit of those tax positions to be recognized in the financial statements.

The Organization analyzes tax positions taken, including those related to the requirements set forth in IRC Sec. 501(c) to qualify as tax exempt organization, activities performed by volunteers and board members, the reporting of unrelated business income, and its status as a tax exempt organization under Maryland statute. The Organization does not know of any tax benefits arising from uncertain tax positions or changes in net assets as a result of analyzing its tax positions. The past 3 years returns, from December 31, 2011 remain subject to examination by federal and state authorities.

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 amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

MANY VOICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 2 – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts which, at times may exceed federally insured limits. Historically, the Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents, given the size of the Organization. At December 31, 2014 and 2013, the Organization had no uninsured cash.

NOTE 3 – IN-KIND DONATION

For year ended December 31, 2014 and 2013, the Organization has recorded \$68,500 and \$63,000, respectively of in-kind contributions for professional services provided in relation to the general operations. These services would otherwise have been purchased by the Organization.

NOTE 4 – MAJOR GRANTORS

For the year ended December 31, 2014 and 2013, the Organization recognized revenue of \$180,000 and \$200,000, respectively from donors, which is approximately 64% and 67% respectively of the Organization's total revenue and support.

NOTE 5 – COMPLIANCE WITH GRANTOR RESTRICTIONS

Financial assistance from Federal, State, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

NOTE 6 – PRIOR YEAR SUMMARIZED INFORMATION

The financial statements include prior year summarized comparative information in total and not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended, December 31, 2013, which the summarized information was derived from.

MANY VOICES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 7 – RESTATED NET ASSETS

The financial statements as of December 31, 2013 have been restated for an adjustment for website costs which recurring and had been previously capitalized. The net change is a decrease in net assets of \$7,262.

NOTE 8 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through the date the financial statements were available to be issued. The Organization is not aware of any significant events that occurred subsequent to the statement of financial position date and prior to June 30, 2015 that would have a material impact on the financial statements.