
Verified Voting

Financial Statements
And
Independent Auditor's Report

Six Months Ended December 31, 2021

TABLE OF CONTENTS

Independent Auditor's Report	2-3
Statement of Financial Position, as of December 31, 2021	4
Statement of Activities and Change in Net Assets for the Period Ended December 31, 2021	5
Statement of Functional Expense for the Period Ended December 31, 2021	6
Statement of Cash Flows for the Period Ended December 31, 2021	7
Notes to Financial Statements	8-9



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Verified Voting.Org, Inc.
Philadelphia, PA 19103

Opinion

We have audited the accompanying financial statements of Verified Voting.Org, Inc. (VVO, a non-profit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and change in net assets, cash flows and functional expenses for the period then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VVO as of December 31, 2021, and the changes in its net assets and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted the audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Verified Voting.Org, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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 and for the design, implementation, and maintenance of internal control relevant in the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about Verified Voting.Org's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Verified Voting.Org's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Verified Voting.Org's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



PR CPA Solutions, LLC
July 13th, 2023
Kensington, MD 20895

Verified Voting.org, Inc
Statement of Financial Position
As of December 31, 2021

	<u>2021</u>
ASSETS	
Cash and Cash Equivalents	\$ 247,332
TOTAL ASSETS	<u>\$ 247,332</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts Payable	\$ 7,095
Due to Related Organization	2,262
TOTAL LIABILITIES	<u>9,357</u>
NET ASSETS	
Without Donor Restrictions	<u>237,975</u>
Total Net Assets	<u>237,975</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 247,332</u>

The accompanying note are an integral part of the financial statements

Verified Voting.org, Inc
Statement of Activities
For the Six Months Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>2021 Total</u>
Revenue and Support		
Public Support	\$ 203,854	\$ 203,854
Total Revenue and Support	<u>203,854</u>	<u>203,854</u>
Expenses:		
Program Services	42,846	42,846
Supporting Services	<u>12,939</u>	<u>12,939</u>
Total Expenses	<u>55,785</u>	<u>55,785</u>
Change in Net Assets	148,068	148,068
Net Assets Beginning of Year	<u>89,907</u>	<u>89,907</u>
Net Assets End of Year	<u>\$ 237,975</u>	<u>\$ 237,975</u>

The accompanying note are an integral part of the financial statements

Verified Voting.org, Inc
Statement of Functional Expenses
For the Six Months Ended December 31, 2021

Expense	<u>PROGRAM EXPENSES</u>	<u>SUPPORTING SERVICES</u>			2021 TOTAL EXPENSES
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Support</u>	
Professional Services	\$ 42,846	\$ 7,761	\$ 105	\$ 7,866	\$ 50,712
Information Technology	-	770	-	770	770
Licenses and Registration Fees	-	4,160	-	4,160	4,160
Bank and Credit Card Fees	-	143	-	143	143
Total Expenses	<u>\$ 42,846</u>	<u>\$ 12,834</u>	<u>\$ 105</u>	<u>\$ 12,939</u>	<u>\$ 55,785</u>

The accompanying note are an integral part of the financial statements

Verified Voting.org, Inc
Statement of Cash Flows
For the Six Months Ended December 31, 2021

	<u>2021</u>
Cash Flows from Operating Activities	
Change in Net Assets	\$ 148,068
Adjustments to reconcile Change in Net Assets to Net Cash Used by Operating Activities	
(Decrease) in Accounts Payable and Accrued Expenses	(905)
(Decrease) in Due to Related Organization	323
Net Cash Provided by Operating Activities	<u>147,486</u>
Increase in Cash and Cash Equivalents	<u>147,486</u>
Cash and Cash Equivalents, Beginning of Year	99,846
Cash and Cash Equivalents, End of Year	<u>\$ 247,332</u>

The accompanying note are an integral part of the financial statements

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

VerifiedVoting.org, Inc (VVO) is 501c(4) organization incorporated on February 2004 in the State of Delaware. Verified Voting.org, Inc is a non-partisan organization that advocates for legislation and regulation that promotes accuracy, transparency and verifiability of elections.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in accordance with FASB ASU 2016-14, Presentation of Financial Statements for Not-For-Profit Entities.

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 that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

VVO considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Net Assets

In August 2016, the FASB issued ASU 2016-14, Presentation of Financial Statements of Not-for Profit Entities (Topic 958), intended to improve financial reporting for not-for-profit entities. The ASU reduced the three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Statements of Activities and Changes in Net Assets. The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments.

Without Donor Restrictions are net assets available for use in general operations and not subject to donor or grantor restrictions.

Donor Restrictions include revenue and contributions subject to donor-imposed stipulations that will be met by actions of VVO and/or the passage of time.

Revenue Recognition

Revenue is recognized when earned. Contributions are recognized as revenue in the year the donor makes an unconditional commitment to give. Contributions with donor-imposed restrictions are reported as restricted support. When a donor restriction expires or purpose restriction is accomplished, the net assets are released and reclassified to net assets without donor restrictions in the statement of activities and change in net assets. VVO recognizes fees for service and contract revenue when services to clients have been rendered and/or contractual obligations have been met.

Contributed Services

Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. VVO receives numerous hours per year of contributed services for Board and various committee meetings. The financial statements do not reflect the value of these contributed services since these services do not meet the criteria for recognition.

Income Taxes and Uncertain Tax Positions

VVO has been granted exemption by the Internal Revenue Service ("IRS") from federal income taxes under section 501(c)(4) of the Internal Revenue Code. The IRS has determined that VVO is not a private foundation. VVO is required to report unrelated business income, unless that income is otherwise excluded by the Code.

VVO follows FASB ASC 740, Income Taxes, which provides guidance on accounting for uncertain tax positions. For the six months ended December 31, 2021, there are no known items which would result in a material accrual related to where VVO has federal or state attributable tax positions. The Federal Form 990, Return of Organization Exempt from Income Tax, is subject to examination by the IRS generally for three years after it is filed. Tax years ending December 31, 2020, 2019 and 2018 remain open with the both Federal and state taxing authorities.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services based on square footage and labor hours. Expenses directly attributed to a specific functional area of VVO are reported as direct expenses to the programmatic area.

2. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially expose VVO to concentrations of credit risk consist primarily of cash deposits. Bank deposit accounts at one institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. There was no uninsured balance as of December 31, 2021. The organization has not experienced, nor does it anticipate any loss of funds from its current concentration of risk.

3. CONCENTRATION OF REVENUE RISK

VVO received approximately 99% of its revenue from one grantor for the six months ended December 31, 2021.

4. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statement of Financial Position, compromise the following at December 31, 2021.

Cash and Cash Equivalents	\$ 247,332
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5. RELATED PARTIES TRANSACTIONS

Verified Voting Foundation, Inc ("VVF") is an educational nonprofit 501(c)(3) organization working toward the accuracy, integrity and verifiability of elections. VVF and VVO have common board members and management. VVF pays expenses on behalf of VVO and, as a result, at December 31, 2021, VVO owed VVF \$2,262.

6. SUBSEQUENT EVENTS

In preparing these financial statements, VVO has evaluated events and transactions for potential recognition or disclosure through July 13th, 2023, the date the financial statements were available to be issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively impact VVO. Any financial impact could occur though such potential impact is unknown at this time.