

**BEAUTIFICATION PROJECT
OF
NEW ORLEANS NEIGHBORHOODS, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Sean M. Bruno
Certified Public Accountants, LLC

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT ACCOUNTANT’S REPORT	1
STATEMENT OF FINANCIAL POSITION AT JUNE 30, 2024.....	2
STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024	3
STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2024	4
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2024	5
NOTES TO THE FINANCIAL STATEMENTS	6
 <u>SUPPLEMENTARY INFORMATION:</u>	
SCHEDULE OF COMPENSATION, BENEFITS, AND AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER (STATEMENT C).....	13
SCHEDULE OF FINDINGS AND RESPONSES	14

Sean M. Bruno
Certified Public Accountants, LLC

Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors of
**Beautification Project for New Orleans
Neighborhoods, Inc.**
New Orleans, Louisiana

Management is responsible for the accompanying financial statements of **Beautification Project for New Orleans Neighborhoods, Inc.** (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.



SEAN M. BRUNO
CERTIFIED PUBLIC ACCOUNTANTS, LLC
New Orleans, Louisiana
December 19, 2024

BEAUTIFICATION PROJECT OF NEW ORLEANS NEIGHBORHOODS, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2024

ASSETS

ASSETS:

Cash and cash equivalents (NOTE 1)	\$ <u>197,678</u>
TOTAL ASSETS	\$ <u>197,678</u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts payable	\$ <u>-</u>
TOTAL LIABILITIES	<u>-</u>

NET ASSETS:

Without donor restrictions (NOTE 1)	50
With donor restrictions (NOTE 1)	<u>197,678</u>
TOTAL NET ASSETS	<u>197,728</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 197,728</u>

See accompanying notes and accountants' report

BEAUTIFICATION PROJECT OF NEW ORLEANS NEIGHBORHOODS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Support:			
Grants	\$ -	\$ 100,000	\$ 100,000
Net asset released from purpose and time restrictions	389,179	(389,179)	-
Total revenues and support	389,179	(289,179)	100,000
 Expenses:			
Program services:			
Economic growth encouragement	381,169	-	381,169
Support services:			
Management and general	8,010	-	8,010
Total expenses	389,179	-	389,179
 Changes in net assets	-	(289,179)	(289,179)
Net assets - beginning of year	50	486,807	486,857
 Net assets - end of year	\$ 50	\$ 197,628	\$ 197,678

See accompanying notes and accountants' report.

BEAUTIFICATION PROJECT OF NEW ORLEANS NEIGHBORHOODS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Program Services	Management and General	Total
Landscaping	\$ 370,134	\$ -	\$ 370,134
Professional Services	-	8,010	8,010
Signage	<u>11,035</u>	<u>-</u>	<u>11,035</u>
Total expenses	<u>\$ 381,169</u>	<u>\$ 8,010</u>	<u>\$ 389,179</u>

See accompanying notes and accountants' report.

BEAUTIFICATION PROJECT OF NEW ORLEANS NEIGHBORHOODS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

Cash Flows From Operating Activities

Change in net assets	\$ (289,179)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	<u>-</u>
Net cash (used in) operating activities	<u>(289,179)</u>
Net increase in cash and cash equivalents	(289,179)
Cash and cash equivalents - July 1, 2023	<u>486,857</u>
Cash and cash equivalents - June 30, 2024	<u><u>\$ 197,678</u></u>

See accompanying notes and accountants' report.

THE BEAUTIFICATION PROJECT OF NEW ORLEANS NEIGHBORHOODS, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION:

The **New Orleans Beautification Project, Inc. (the Beautification Project)** was organized in 2005 as a non-profit organization to improve and beautify New Orleans neighborhoods by landscaping, planting of trees and other greenery, de-weeding medians, replacing neighborhood pole signs, and refurbishing community signs throughout the City of New Orleans.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Principles of Accounting

The financial statements and the supplemental schedule are prepared in accordance with generally accepted accounting principles and are prepared on the accrual basis.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to use estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. These estimates and assumptions 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 could differ from those estimates.

Basis Presentation

For the year ended June 30, 2024, the **Beautification Project** followed the requirements of Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, in the presentation of its financial statements. The purpose of the FASB ASC 2016-04 is to improve the financial reporting of those entities. Among other provisions, this ASC

THE BEAUTIFICATION PROJECT OF NEW ORLEANS NEIGHBORHOODS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
CONTINUED:

Basis Presentation, Continued

reduces the number of classes of net assets from three to two, requiring the presentation of expenses in both natural and functional classifications, and requiring additional disclosures concerning liquidity and the availability of financial resources. **The Beautification Project** adopted this standard for the year ended June 30, 2021 and its implementation is reflected in the financial statements.

A description of the two net asset categories is as follows:

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 the Organization, the environment in which it operates, the purposes specified in its 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. At June 30, 2024, **the Beautification Project** had Net Assets Without Donor Restrictions totaling \$50.

Net Assets With Donor Restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity. At June 30, 2024, **the Beautification Project** had Net Assets With Donor Restrictions totaling \$197,628.

Cash and Cash Equivalents

Cash consist solely of demand deposits and a money market account that is secured by federal deposit insurance. All highly liquid debt instruments purchased with an original maturity of three (3) months or less are considered to be cash equivalents for purposes of the statement of cash flows. All deposits are secured by federal deposit insurance.

THE BEAUTIFICATION PROJECT OF NEW ORLEANS NEIGHBORHOODS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
CONTINUED:

Fair Value

The Beautification Project adopted certain provisions of Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements which are codified in FASB ASC Topic 820. ASC Topic 820 refines the definition of fair value, established specific requirements as well as guidelines for a consistent framework to measure fair value, and expands disclosure requirements about fair value measurements. Further ASC Topic 820 require **the Beautification Project** to maximize the use of observable marked input, minimize the use of unobservable marked inputs, and disclose in the form of an outlined hierarchy, the details of such fair value measurements.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

NOTE 3 - CONCENTRATION OF CREDIT RISK:

Financial instruments that potentially subject **the Beautification Project** to concentrations of credit risk consist principally of cash and cash equivalent accounts in financial institutions. At June 30, 2024, **the Beautification Project** had cash and cash equivalents in the checking bank account totaling \$197,678.

The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000.

THE BEAUTIFICATION PROJECT OF NEW ORLEANS NEIGHBORHOODS, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 4 - **FAIR VALUE MEASUREMENTS OF
FINANCIAL ASSETS AND LIABILITIES:**

In accordance with FASB ASC Topic 820 fair value is defined as the price that **the Beautification Project** would receive to sell an asset or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the asset or liability. ASC Topic 820 established a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to established classification of fair value measurements for disclosure purposes.

Various inputs are used in determining the value of **the Beautification Project's** assets or liabilities. The inputs are summarized in the three broad levels listed below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.
- Level 2 - Pricing inputs are other than quoted prices included within Level 1, which are either directly or indirectly observable for the asset or liability as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.
- Level 3 - Pricing inputs are unobservable for the asset or liability and include situations where there is little, if any market activity. The inputs into the determination of fair value require significant management judgment or estimation.

THE NEW ORLEANS BEAUTIFICATION PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 5 - FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND LIABILITIES, CONTINUED:

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. **The Beautification Project's** assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the assets/liabilities. All assets/liabilities are considered Level 1 assets/liabilities.

The carrying amounts of the assets and the liabilities reported in the Statement of Financial Position approximate fair value because of the terms and relatively short maturity of those financial instruments.

The following table summarizes the valuation of **the Beautification Project's** financial instruments measured at fair value by the above ASC Topic 820 fair value hierarchy levels as of June 30, 2024 are as follows:

	<u>Carrying Value</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 197,678	\$ 197,678

THE NEW ORLEANS BEAUTIFICATION PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 6 - CONTINGENCY:

The Beautification Project is the recipient of grant funds from various sources. The grants are governed by various guidelines, regulations, and contractual agreements. The administration of the programs and activities funded by the grants are under the control and administration of **the Beautification Project** and are subject to audit and/or review by the applicable funding sources. Any grant funds found not to be properly spent in accordance with the terms, conditions, and regulations of the funding source may be subject to recapture.

NOTE 7 - INCOME TAXES:

The Beautification Project is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provisions for federal or state income taxes have been recorded in the accompanying financial statements. Should **the Beautification Project's** tax status be challenged in the future, the 2021, 2022, and 2023 tax years are open for examination by the IRS.

NOTE 8 - LIQUIDITY AND AVAILABILITY:

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise of cash and cash equivalents totaling \$197,678.

THE NEW ORLEANS BEAUTIFICATION PROJECT, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 9 - NEW ACCOUNTING PRONOUNCEMENTS:

The FASB issued ASU No. 2014-09 *Revenue from Contracts with Customers*, (Topic 606) which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. This standard is effective for fiscal years beginning after December 31, 2018. The standard permits the use of either the retrospective or cumulative effect transition method.

The FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash*. The amendments in this Update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The amendments in this Update are effective for nonpublic entities for annual periods beginning after December 15, 2018. **The Beautification Project** has implemented the new guidance and it does not have a material impact on **the Beautification Project's** financial statements.

NOTE 10 - SUBSEQUENT EVENTS:

ASC Topic 855-10 requires the disclosure of the date through which subsequent events have been evaluated by management and the reason for selecting that date. **The Beautification Project's** management has evaluated subsequent events from July 1, 2024 through December 19, 2024, which represents the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

NEW ORLEANS BEAUTIFICATION PROJECT, INC.
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER (STATEMENT C)
FOR THE YEAR ENDED JUNE 30, 2024

Agency Head Name, Title: Adonis Expose, Board President.

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$ -
Benefits-insurance	-
Benefits-retirements	-
Car allowance	-
Vehicle provided by government (enter amount reported on W-2)	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses (example: travel advances, etc.)	-
Special meals	-
Other	-

Adonis Expose did not receive any payments from the Beautification Project.

Act 706 of the 2014 Legislative Session requires the disclosure of the total compensation, reimbursement, benefits, and other payments made to the agency head, political subdivision head or Chief executive officer, related to the position; including but not limited to travel housing, unvouchered expenses (such as travel advances) per diem, and registration fees.

NEW ORLEANS BEAUTIFICATION PROJECT, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2024

None Noted

NEW ORLEANS BEAUTIFICATION PROJECT, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

None Noted.