

ACCESS INDEPENDENCE, INC.

FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

ACCESS INDEPENDENCE, INC.

**FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Access Independence, Inc.
Winchester, Virginia

We have audited the accompanying financial statements of *Access Independence, Inc.* (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial

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 audits 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 risk 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 presentation 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 *Access Independence, Inc.* as of June 30, 2021 and 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.

W.C. Goldberg & Co., PC

Virginia Beach, Virginia
February 7, 2022

ACCESS INDEPENDENCE, INC.

**STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020**

ASSETS

	2021	2020
CURRENT ASSETS:		
Cash and cash equivalents	\$ 282,868	\$ 334,472
Cash held for others	402,365	249,866
Investments	424,717	329,114
Accounts receivable	11,051	22,149
Promises to give	16,200	16,200
Prepaid expenses	47	1,661
Inventory	26,413	26,413
Total current assets	\$ 1,163,661	\$ 979,875
PROPERTY AND EQUIPMENT:		
Equipment	\$ 87,478	\$ 88,477
Vehicles	29,100	29,100
Total	\$ 116,578	\$ 117,577
Less accumulated depreciation	(91,925)	(82,688)
Net property and equipment	\$ 24,653	\$ 34,889
Total assets	\$ 1,188,314	\$ 1,014,764

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable	\$ -	\$ 10,432
Accrued expenses	10,060	19,209
Refundable advances	9,962	2,549
Funds held for others	402,365	249,866
Total current liabilities	\$ 422,387	\$ 282,056
Total liabilities	\$ 422,387	\$ 282,056
NET ASSETS:		
Without donor restrictions	\$ 749,727	\$ 685,450
With donor restrictions	16,200	47,258
Total net assets	\$ 765,927	\$ 732,708
Total liabilities and net assets	\$ 1,188,314	\$ 1,014,764

See independent auditor's report and accompanying notes to the financial statements.

ACCESS INDEPENDENCE, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	2021 Total
OPERATING REVENUE AND SUPPORT:			
Grant revenue	\$ 453,570	\$ -	\$ 453,570
Contributions	1,392	1,315	2,707
Contract services:			
State and federal agencies	76,717	16,200	92,917
Participant assessments	44,220	-	44,220
Other income	3,594	-	3,594
Net assets released from restrictions	48,573	(48,573)	-
Total operating revenue and support	<u>\$ 628,066</u>	<u>\$ (31,058)</u>	<u>\$ 597,008</u>
OPERATING EXPENSES:			
Program services	\$ 507,111	\$ -	\$ 507,111
Management and general	102,000	-	102,000
Fundraising	1,346	-	1,346
Total operating expenses	<u>\$ 610,457</u>	<u>\$ -</u>	<u>\$ 610,457</u>
CHANGES IN NET ASSETS BEFORE NON-OPERATING ACTIVITIES	<u>\$ 17,609</u>	<u>\$ (31,058)</u>	<u>\$ (13,449)</u>
NON-OPERATING ACTIVITIES:			
Investment income	\$ 14,739	\$ -	\$ 14,739
Realized gain on investments	9,641	-	9,641
Unrealized gain on investments	22,288	-	22,288
CHANGES IN NET ASSETS FROM NON-OPERATING ACTIVITIES	<u>\$ 46,668</u>	<u>\$ -</u>	<u>\$ 46,668</u>
CHANGES IN NET ASSETS	<u>\$ 64,277</u>	<u>\$ (31,058)</u>	<u>\$ 33,219</u>
NET ASSETS, BEGINNING OF YEAR	<u>685,450</u>	<u>47,258</u>	<u>732,708</u>
NET ASSETS, END OF YEAR	<u><u>\$ 749,727</u></u>	<u><u>\$ 16,200</u></u>	<u><u>\$ 765,927</u></u>

See independent auditor's report and accompanying notes to the financial statements.

ACCESS INDEPENDENCE, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	Without Donor Restrictions	With Donor Restrictions	2020 Total
OPERATING REVENUE AND SUPPORT:			
Grant revenue	\$ 456,832	\$ -	\$ 456,832
Contributions	3,241	3,235	6,476
Contract services:			
State and federal agencies	63,800	16,200	80,000
Participant assessments	55,430	-	55,430
Other income	140	-	140
Net assets released from restrictions	19,746	(19,746)	-
Total operating revenue and support	<u>\$ 599,189</u>	<u>\$ (311)</u>	<u>\$ 598,878</u>
OPERATING EXPENSES:			
Program services	\$ 532,160	\$ -	\$ 532,160
Management and general	84,199	-	84,199
Fundraising	2,383	-	2,383
Total operating expenses	<u>\$ 618,742</u>	<u>\$ -</u>	<u>\$ 618,742</u>
CHANGES IN NET ASSETS BEFORE NON-OPERATING ACTIVITIES	<u>\$ (19,553)</u>	<u>\$ (311)</u>	<u>\$ (19,864)</u>
NON-OPERATING ACTIVITIES:			
Investment income	\$ 14,229	\$ -	\$ 14,229
Unrealized loss on investments	(2,666)	-	(2,666)
CHANGES IN NET ASSETS FROM NON-OPERATING ACTIVITIES	<u>\$ 11,563</u>	<u>\$ -</u>	<u>\$ 11,563</u>
CHANGES IN NET ASSETS	<u>\$ (7,990)</u>	<u>\$ (311)</u>	<u>\$ (8,301)</u>
NET ASSETS, BEGINNING OF YEAR	<u>693,440</u>	<u>47,569</u>	<u>741,009</u>
NET ASSETS, END OF YEAR	<u><u>\$ 685,450</u></u>	<u><u>\$ 47,258</u></u>	<u><u>\$ 732,708</u></u>

See independent auditor's report and accompanying notes to the financial statements.

ACCESS INDEPENDENCE, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021**

	PROGRAM ACTIVITIES			SUPPORTING ACTIVITIES			2021 Total
	Direct Services	Outreach Services	Program Subtotal	Management and General	Fundraising	Supporting Subtotal	
Salaries and wages	\$ 160,589	\$ 112,918	\$ 273,507	\$ 45,442	\$ 739	\$ 46,181	\$ 319,688
Employee benefits	47,350	33,295	80,645	13,398	218	13,616	94,261
Payroll taxes	12,142	8,538	20,680	3,436	56	3,492	24,172
Total salaries and related expenses	\$ 220,081	\$ 154,751	\$ 374,832	\$ 62,276	\$ 1,013	\$ 63,289	\$ 438,121
Advertising	2,913	2,049	4,962	824	13	837	5,799
Building maintenance	3,334	2,344	5,678	943	15	958	6,636
Community outreach	-	310	310	-	-	-	310
Depreciation	5,142	3,615	8,757	1,455	23	1,478	10,235
Direct services	5,954	-	5,954	-	-	-	5,954
Dues and subscriptions	1,935	1,360	3,295	548	9	557	3,852
Computer/equipment	11,481	8,073	19,554	3,249	53	3,302	22,856
Insurance	-	-	-	8,886	-	8,886	8,886
Miscellaneous	3,128	2,199	5,327	885	14	899	6,226
Office supplies	4,547	3,197	7,744	1,287	21	1,308	9,052
Postage	2,711	1,906	4,617	767	12	779	5,396
Professional fees	2,228	-	2,228	10,271	-	10,271	12,499
Rent	29,044	20,422	49,466	8,219	134	8,353	57,819
Staff training/travel	3,641	2,560	6,201	1,030	17	1,047	7,248
Telephone	2,824	1,986	4,810	799	13	812	5,622
Utilities	1,982	1,394	3,376	561	9	570	3,946
Total operating expenses	\$ 300,945	\$ 206,166	\$ 507,111	\$ 102,000	\$ 1,346	\$ 103,346	\$ 610,457

See independent auditor's report and accompanying notes to the financial statements.

ACCESS INDEPENDENCE, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

	PROGRAM ACTIVITIES			SUPPORTING ACTIVITIES			2020 Total
	Direct Services	Outreach Services	Program Subtotal	Management and General	Fundraising	Supporting Subtotal	
Salaries and wages	\$ 163,994	\$ 135,915	\$ 299,909	\$ 37,853	\$ 1,375	\$ 39,228	\$ 339,137
Employee benefits	46,897	38,868	85,765	10,824	393	11,217	96,982
Payroll taxes	12,534	10,388	22,922	2,893	105	2,998	25,920
Total salaries and related expenses	\$ 223,425	\$ 185,171	\$ 408,596	\$ 51,570	\$ 1,873	\$ 53,443	\$ 462,039
Advertising	352	291	643	81	3	84	727
Building maintenance	2,139	1,772	3,911	494	18	512	4,423
Community outreach	-	1,043	1,043	-	-	-	1,043
Depreciation	4,950	4,102	9,052	1,142	41	1,183	10,235
Direct services	2,047	-	2,047	-	-	-	2,047
Dues and subscriptions	2,613	2,166	4,779	603	22	625	5,404
Computer/equipment	5,602	4,643	10,245	1,293	47	1,340	11,585
Insurance	-	-	-	9,682	-	9,682	9,682
Miscellaneous	1,955	1,620	3,575	444	16	460	4,035
Office supplies	4,322	3,582	7,904	998	36	1,034	8,938
Postage	1,988	1,648	3,636	459	17	476	4,112
Professional fees	9,069	-	9,069	8,894	-	8,894	17,963
Rent	27,937	23,154	51,091	6,448	234	6,682	57,773
Staff training/travel	4,732	3,922	8,654	1,092	40	1,132	9,786
Telephone	2,291	1,899	4,190	529	19	548	4,738
Utilities	2,037	1,688	3,725	470	17	487	4,212
Total operating expenses	\$ 295,459	\$ 236,701	\$ 532,160	\$ 84,199	\$ 2,383	\$ 86,582	\$ 618,742

See independent auditor's report and accompanying notes to the financial statements.

ACCESS INDEPENDENCE, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING AND NON-OPERATING ACTIVITIES:		
Changes in net assets	\$ 33,219	\$ (8,301)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating and non-operating activities:		
Depreciation	10,236	10,235
Unrealized (gain) loss on investments	(22,288)	2,666
(Increase) decrease in assets:		
Accounts receivable	11,098	1,437
Prepaid expenses	1,614	870
Increase (decrease) in liabilities:		
Accounts payable	(10,432)	(11,918)
Accrued expenses	(9,149)	11,632
Refundable advances	7,413	(7,733)
 NET CASH PROVIDED (USED) BY OPERATING AND NON-OPERATING ACTIVITIES	 <u>\$ 21,711</u>	 <u>\$ (1,112)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:		
(Increase) decrease in investments, net of unrealized gains/(losses)	 <u>\$ (73,315)</u>	 <u>\$ 64,447</u>
 NET CHANGES IN CASH AND CASH EQUIVALENTS	 <u>\$ (51,604)</u>	 <u>\$ 63,335</u>
 CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	 <u>334,472</u>	 <u>271,137</u>
 CASH AND CASH EQUIVALENTS - END OF YEAR	 <u><u>\$ 282,868</u></u>	 <u><u>\$ 334,472</u></u>

See independent auditor's report and accompanying notes to the financial statements.

ACCESS INDEPENDENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

NOTE 1 - ORGANIZATION:

Access Independence, Inc., a Virginia non-stock, nonprofit corporation, was established in 1985. The Organization's mission is to promote independent living by providing services that enhance the quality of life for people with disabilities living in the Commonwealth of Virginia's Northern Shenandoah Valley. The Organization serves the city of Winchester and the counties of Clarke, Frederick, Page, Shenandoah, and Warren. Access Independence provides an array of services which include, information and referral, peer consulting, independent living skills training, transition, and advocacy for persons with disabilities in an effort to obtain the highest possible levels of independence.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accrual basis of accounting recognizes income when earned and expenses when incurred.

Basis of presentation

These financial statements, presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present net assets, revenues, and expenses based on the existence or absence of donor-impaired restrictions. This has been accomplished by the classification of assets, liabilities, and net assets into two groups with donor restrictions and without donor restrictions.

These two groups are defined as follows:

- *Net assets without donor restrictions*: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.
- *Net assets with donor restrictions*: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The Organization follows the provisions of the Financial Accounting Standards Board *Accounting Standards Codification (FASB ASC)*.

Cash and cash equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Promises to give

Unconditional promises to give are expected to be received within one year. At June 30, 2021 and 2020 promises from municipal governments was \$16,200 and \$16,200, respectively. Management has deemed no allowance for doubtful accounts is necessary.

ACCESS INDEPENDENCE, INC.

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

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 period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

The Organization records grant awards accounted for as exchanged transactions as refundable advances until the related services are performed or expenses are incurred, at which time they are recognized as revenue.

Donated assets and services

The Organization recognizes in-kind contributions as revenue and expense in the period in which they are received. Donated supplies are valued by donor at fair market value on the date of gift. No amounts have been reflected in the accompanying financial statements for volunteer services since they are not susceptible to objective measurement or valuation; however, a number of volunteers donated significant amounts of their time performing services that would otherwise be performed by paid employees.

Accounts receivable

Accounts receivable are written off using the direct write-off method in the year in which the account is determined to be uncollectible. If the allowance method of accounting for uncollectible accounts were used, it would not have a material effect on the financial statements.

Inventory

Inventory consisting of modular metal ramps, which are used to provide accessible entrance ways into different housing situations, is recorded at cost.

Property and equipment

Property and equipment are recorded at cost. Expenditures for maintenance and repairs are expensed as incurred while renewals and betterments are capitalized. When items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Depreciation has been provided for using straight-line method over the estimated useful lives of the assets. The estimated useful lives of the assets are as follows:

Equipment	5 - 7 years
Vehicles	5 - 7 years

Depreciation expense totaled \$10,235 and \$10,235 for the years ending June 30, 2021 and 2020, respectively.

See independent auditor's report. Notes continued on next page.

ACCESS INDEPENDENCE, INC.

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Functional allocation of expenses

The cost of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense:

Salaries and wages
Employee benefits
Payroll taxes
Advertising
Building maintenance
Depreciation
Dues and subscriptions
Computer/equipment
Miscellaneous
Office supplies
Postage
Professional fees
Rent
Staff training/travel
Telephone
Utilities

Method of Allocations:

Time and effort
Time and effort
Time and effort
Reasonable basis consistently applies
Reasonable basis consistently applies
Reasonable basis consistently applies
Reasonable basis consistently applies
Reasonable basis consistently applies
Reasonable basis consistently applies
Reasonable basis consistently applies
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Reasonable basis consistently applies
Reasonable basis consistently applies
Reasonable basis consistently applies

Advertising costs

The Organization expenses the cost of advertising when incurred. For the years ended June 30, 2021 and 2020, advertising costs were \$5,799 and \$727, respectively.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Measure of operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

ACCESS INDEPENDENCE, INC.

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Investments

Investments in debt and equity securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income or loss (including realized and unrealized gains and losses on investments and interest) is included as a component of net assets without donor restriction unless the income or loss is restricted by the donor.

Fair value measurement

The Organization follows a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest level priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under generally accepted accounting principles are as follows: Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical instruments in an active market that the entity has the ability to access.

Level 2 inputs to the valuation methodology include quoted market prices for similar assets or liabilities in active markets; quoted market prices for similar or identical assets or liabilities in active markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means; if the asset or liability has a specific (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Income taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code, and as a public charity under 509 (a) of the code.

The Organization adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed the tax positions taken in its filings with the Internal Revenue Service. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2021.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending June 30, 2021, 2020, 2019, and 2018, are subject to examination by the IRS, generally for three years after they were filed.

Reclassifications

Certain amounts from the prior year have been reclassified to conform to current year presentation.

See independent auditor's report. Notes continued on next page.

ACCESS INDEPENDENCE, INC.

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 3 - CONCENTRATIONS OF CREDIT RISK:

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and accounts receivable.

The Organization places its cash and cash equivalents on deposit with financial institutions in the United States. All of a depositor's accounts at an insured depository institution, including all non-interest bearing transaction accounts will be insured by the Federal Deposit Insurance Corporation (FDIC) up to the standard maximum deposit insurance amount of \$250,000, for each deposit insurance ownership category. For the years ended June 30, 2021 and 2020, the Organization had demand deposits on hand in financial institutions that exceeded depositor's insurance provided by the applicable guaranty agency in the amounts of \$170,937 and \$0, respectively.

The Organization receives substantial support from governmental agencies. While there are no reasons to anticipate a change in the current funding arrangement, if a significant reduction in the level of support were to occur, it would have a significant impact on the operations of the Organization and services that are now being provided.

NOTE 4 - RECEIVABLES:

Receivables consisted of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Trade	\$ 11,051	\$ 21,689
Employee	-	460
Total	<u>\$ 11,051</u>	<u>\$ 22,149</u>

NOTE 5 - INVENTORY:

Inventory consisted of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Modular metal ramps	<u>\$ 26,413</u>	<u>\$ 26,413</u>

NOTE 6 - INVESTMENTS:

As of June 30, 2021 and 2020, all investments were considered level 1 investments. Investments at June 30, 2021 and 2020, are stated at market value and summarized as follows:

	<u>2021</u>	<u>2020</u>
Cash equivalents	\$ 23,400	\$ 23,340
Certificates of deposit	-	60,402
Bonds	64,583	75,912
Mutual funds	302,252	140,247
Stocks	34,482	29,213
Total	<u>\$ 424,717</u>	<u>\$ 329,114</u>

As of June 30, 2021 and 2020, the Organization had realized gain from investments of \$9,641 and \$0, respectively. The Organization had unrealized gain (loss) on investments of \$22,288 and (\$2,666) as of June 30, 2021, and 2020, respectively.

See independent auditor's report. Notes continued on next page.

ACCESS INDEPENDENCE, INC.

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 7 - GRANT REVENUE:

The Organization participated in the following grant for the year ended June 30, 2021 and 2020:

	2021	2020
<u>Independent Living Grant (Continuation Grant)</u>		
Virginia Department of Aging and Rehabilitative Services (DARS) administers this grant for the purpose of providing funding to Centers for Independent Living for the provision of the core services: advocacy, transition, information and referral, peer counseling, and independent living skills training.	\$ 431,592	\$ 434,777
<u>Title VII, Part B</u>		
This grant is funded by the U.S. Department of Education, allocated by the State Independent Living Council (SILC) and is administered through the DARS. The purpose is to promote for system change, activities throughout the community which will increase access to independent living, and community based services options primarily involving housing and transportation.	\$ 21,978	\$ 22,055
Total	\$ 453,570	\$ 456,832

NOTE 8 - LIQUIDITY:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, are comprised of:

Financial assets at year end:	
Cash and cash equivalents	\$ 282,868
Accounts receivable	11,051
Investments	424,717
	\$ 718,636
Less amounts not available to be used for general expenditures in one year, due to:	
Donor restrictions	(16,200)
Financial assets available to meet general expenditures within one year	\$ 702,436

The Organization receives significant contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

See independent auditor's report. Notes continued on next page.

ACCESS INDEPENDENCE, INC.

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 9 - LINE OF CREDIT:

The Organization has a revolving line of credit with the Bank of Clarke County in the amount of \$75,000 with interest stated at 4.25%, maturing March 18, 2022. At June 30, 2021 and 2020, there was no amount outstanding.

NOTE 10 - NET ASSETS:

Net assets without donor restrictions consisted of the following at June 30, 2021 and 2020:

	2021	2020
Designated for capital expansion	254,632	\$ 240,247
Designated for vehicle purchase	30,000	30,000
Designated for "Roll Your Own"	1,459	9,368
Undesignated	463,636	405,835
Total net assets without donor restrictions	\$ 749,727	\$ 685,450

Net assets with donor restrictions are available for the following purpose or periods at June 30, 2021 and 2020:

	2021	2020
Cash available for home modifications/assistive technology	\$ -	\$ 31,058
Promises to give for subsequent periods	16,200	16,200
Total net assets without donor restrictions	\$ 16,200	\$ 47,258

Net assets released from donor restrictions incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donor.

Program services	\$ 48,573	\$ 19,746
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NOTE 11 - COMMITMENTS:

The Organization leases office space for its main office under an operating lease which expired May 31, 2019. The lease is currently a month to month with a monthly payment of \$4,692. Rent expense under the current and previous operating lease was \$57,819 and \$57,773 for the years ended June 30, 2021 and 2020, respectively.

Future minimum lease payments due under the leases are:

Year ended Jun 30,	
2022	\$ 56,304

ACCESS INDEPENDENCE, INC.

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 12 - NEW ACCOUNTING PRONOUNCEMENTS:

In May 2014, FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 creates a single framework for recognizing revenue from contracts with customers that fall within its scope. The objective is to allow financial statement users to understand the nature, amount, timing, and uncertainty of revenue and cash flows resulting from contracts with customers.

In June 2018, the FASB issued ASU No. 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 provides clarifying guidance on accounting for the grants and contracts of not-for-profit organizations as they relate to the new revenue standard (ASU 2014-09, Revenue from Contracts with Customers). The objective is to minimize diversity in the classification of grants and contracts that exists under current guidance.

The Organization adopted both of the ASU's effective July 1, 2020 using the prospective method. The adoption of these standards did not result in significant changes to the Organization's accounting policies or impact its financial position, changes in net assets or cash flows. As such, prior period financial statements were not restated and there was no cumulative effect adjustment upon adoption.

NOTE 13 - COVID-19:

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the United States have declared a state of emergency. It is anticipated that these impacts will continue for some time. Organization has modified operations which resulted in a reduction of fundraising revenue. Fundraising events for the entire year have been modified or canceled, therefore a loss of fundraising revenue is anticipated. The future effects of these issues are unknown.

NOTE 14 - SUBSEQUENT EVENTS:

Subsequent events were evaluated through February 7, 2022, which is the date the financial statements were available to be issued. No events have occurred subsequent to the statements of financial position date and through February 7, 2022 that would require adjustment to, or disclosure in, the financial statements.