

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

**Central Florida Chapter,
Paralyzed Veterans of America, Inc.**

For the Years Ended
September 30, 2021 and 2020

**Central Florida Chapter,
Paralyzed Veterans of America, Inc.**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members of
Central Florida Chapter, Paralyzed Veterans of America, Inc.

We have audited the accompanying financial statements of Central Florida Chapter, Paralyzed Veterans of America, Inc. (the "Organization"), which comprise the statement of financial position as of September 30, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years 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 audits. 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 audits 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 presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central Florida Chapter, Paralyzed Veterans of America, Inc. as of September 30, 2021 and 2020, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Schafer, Tschopp, Whitcomb, Mitchell + Sheridan, LLP

Maitland, Florida
December 15, 2021

CENTRAL FLORIDA CHAPTER, PARALYZED VETERANS OF AMERICA, INC.
STATEMENTS OF FINANCIAL POSITION
September 30, 2021 and 2020

ASSETS

	2021	2020
Current Assets		
Cash and cash equivalents	\$ 148,504	\$ 197,167
Investments, at fair value	1,080,543	1,025,807
Durable medical equipment, at estimated value	51,580	13,657
Property and equipment, net of accumulated depreciation	188,894	96,056
TOTAL ASSETS	\$ 1,469,521	\$ 1,332,687

LIABILITIES AND NET ASSETS

Current Liabilities		
Accrued vacation and sick pay	27,177	21,800
Total current liabilities	27,177	21,800
Net Assets without donor restrictions		
Designated by the Board	300,000	-
Undesignated	1,142,344	1,310,887
Total net assets	1,442,344	1,310,887
TOTAL LIABILITIES AND NET ASSETS	\$ 1,469,521	\$ 1,332,687

The accompanying notes are an integral part of these financial statements.

CENTRAL FLORIDA CHAPTER, PARALYZED VETERANS OF AMERICA, INC.
STATEMENTS OF ACTIVITIES and CHANGES IN NET ASSETS
Years Ended September 30, 2021 and 2020

	2021	2020
Unrestricted Net Assets		
Operating Support & Revenue:		
PVA National Contribution	\$ 147,967	\$ 130,432
Grants	10,000	21,857
Advertising	900	4,772
Fund raising:		
Charity golf tournament	56,020	39,564
GIVE	22,302	17,022
Donations:		
Cash:		
General	15,345	22,983
Other	3,981	36,402
Non-cash:		
Repurposed durable medical equipment and other	256,990	103,452
Total Operating Support & Revenue	513,505	376,484
Operating Expenses:		
Program Services:		
Member benefits and functions	144,022	135,716
Sports and recreation	57,311	41,319
Repurposing of durable medical equipment	219,067	159,648
Occupancy cost	50,584	37,756
Grants and awards	57,754	15,539
Payroll Protection Plan forgivable loan	-	33,808
Total Program Services	528,737	423,786
Supporting Services:		
Management and general	54,401	63,096
Fundraising	20,729	6,100
Total Supporting Services	75,130	69,196
Total Operating Expenses	603,868	492,982
Non-Operating Support & Revenue:		
Dividend and interest income	13,643	19,919
Realized capital gains (losses)	28,854	29,255
Change in unrealized gain (loss) on investments	179,323	74,449
Total Non-Operating Support & Revenue	221,820	123,623
Increase (Decrease) in Unrestricted Net Assets	131,457	7,125
Total Increase (Decrease) in Net Assets	131,457	7,125
Net Assets at Beginning of Year	1,310,887	1,303,762
Net Assets at End of Year	\$ 1,442,344	\$ 1,310,887

The accompanying notes are an integral part of these financial statements.

CENTRAL FLORIDA CHAPTER, PARALYZED VETERANS OF AMERICA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2021

	Program Services					Support Services			
	Membership & Benefits	Durable Medical Equipment	Sports And Recreation	Occupancy Cost	Grants and Awards	Total	Management & General	Fund Raising	Total
Member Events	\$ 7,944	-	-	-	-	\$ 7,944	-	-	-
Medical Equipment Donated	-	219,067	-	-	-	219,067	-	-	-
Salaries and Benefits	85,836	-	40,000	-	-	125,836	41,945	-	41,945.25
Professional Fees	-	-	-	-	-	-	3,596	-	3,596
Occupancy Cost	-	-	-	42,406	-	42,406	-	-	-
Postage	1,109	-	-	-	-	1,109	-	-	-
Publications	13,638	-	-	-	-	13,638	-	-	-
Office Expense	20,727	-	-	-	-	20,727	-	-	-
Telephone & Internet	-	-	-	-	-	-	3,132	-	3,132
Travel	6,247	-	-	-	-	6,247	-	-	-
Fundraising Costs	-	-	-	-	-	-	-	20,729	20,729
Grants and Awards	-	-	-	-	57,754	57,754	-	-	-
Conferences and Meetings	5,672	-	-	-	-	5,672	-	-	-
Sports and Recreation Expenses	-	-	17,311	-	-	17,311	-	-	-
Advertising and Promotion	2,849	-	-	-	-	2,849	-	-	-
Management and General	-	-	-	-	-	-	5,728	-	5,728
Depreciation Expense	-	-	-	8,178	-	8,178	-	-	-
Total	<u>\$ 144,022</u>	<u>\$ 219,067</u>	<u>\$ 57,311</u>	<u>\$ 50,584</u>	<u>\$ 57,754</u>	<u>\$ 528,737</u>	<u>\$ 54,401</u>	<u>\$ 20,729</u>	<u>\$ 75,130</u>

The accompanying notes are an integral part of these financial statements.

CENTRAL FLORIDA CHAPTER, PARALYZED VETERANS OF AMERICA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2020

	Program Services					Support Services			
	Membership & Benefits	Durable Medical Equipment	Sports And Recreation	Occupancy Cost	Grants and Awards	Total	Management & General	Fund Raising	Total
Member Events	\$ 4,218	-	-	-	-	\$ 4,218	\$ -	-	\$ -
Medical Equipment Donated	-	159,648	-	-	-	159,648	-	-	-
Salaries and Benefits	91,664	-	40,000	-	-	131,664	39,330	-	39,330
Professional Fees	-	-	-	-	-	-	4,139	-	4,139
Occupancy Cost	-	-	-	31,202	-	31,202	-	-	-
Postage	2,103	-	-	-	-	2,103	-	-	-
Publications	13,078	-	-	-	-	13,078	-	-	-
Office Expense	9,137	-	-	-	-	9,137	-	-	-
Telephone & Internet	-	-	-	-	-	-	3,011	-	3,011
Travel	7,024	-	-	-	-	7,024	-	-	-
Fundraising Costs	-	-	-	-	-	-	-	6,100	6,100
Grants and Awards	-	-	-	-	49,311	49,311	-	-	-
Conferences and Meetings	3,782	-	-	-	-	3,782	-	-	-
Furniture Equipment and Rental	-	-	-	-	-	-	33	-	33
Sports and Recreation Expenses	-	-	1,319	-	-	1,319	-	-	-
Community Service	-	-	-	-	36	36	-	-	-
Advertising and Promotion	4,710	-	-	-	-	4,710	-	-	-
Management and General	-	-	-	-	-	-	16,583	-	16,583
Depreciation Expense	-	-	-	6,554	-	6,554	-	-	-
Total	<u>\$ 135,716</u>	<u>\$ 159,648</u>	<u>\$ 41,319</u>	<u>\$ 37,756</u>	<u>\$ 49,347</u>	<u>\$ 423,786</u>	<u>\$ 63,096</u>	<u>\$ 6,100</u>	<u>\$ 69,196</u>

The accompanying notes are an integral part of these financial statements.

CENTRAL FLORIDA CHAPTER, PARALYZED VETERANS OF AMERICA, INC.
STATEMENTS OF CASH FLOWS
Years Ended September 30, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Increase (decrease) in net assets	\$ 131,457	\$ 7,125
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Depreciation expense	8,178	6,554
Unrealized (gain) loss on investments	(179,323)	(74,449)
Increase in durable medical equipment	(37,923)	56,196
Increase (decrease) in cash due to changes in:		
Accrued vacation and sick pay	5,377	3,222
Net Cash Provided by (used in) Operating Activities	(72,234)	(1,352)
Cash Flows from Investing Activities		
Purchase of fixed assets	(101,016)	-
Purchase of investments	(42,413)	(49,144)
Redemption of investments	167,000	200,000
Net Cash Provided by (used in) Investing Activities	23,571	150,856
Net Increase (Decrease) in Cash and Cash Equivalents	(48,663)	149,504
Cash and Cash Equivalents at Beginning of Year	197,167	47,663
Cash and Cash Equivalents at End of Year	\$ 148,504	\$ 197,167

The accompanying notes are an integral part of these financial statements.

Central Florida Chapter, Paralyzed Veterans of America, Inc.
(A Non-Profit Organization)
NOTES TO FINANCIAL STATEMENTS
For the Years Ended September 30, 2021 and 2020

NOTE 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities:

Central Florida Chapter, Paralyzed Veterans of America, Inc. (the "Organization") was incorporated as a Florida, not-for-profit corporation on June 13, 1977. The Internal Revenue Service determined the organization to be sanctioned under Section 501(c) (3). The organization was formed for the main purpose of aiding and assisting veterans of the armed forces of the United States of America and other persons who have suffered injury or disease of the spinal cord.

Significant Accounting Policies:

Fund Accounting

The financial statements of the organization are prepared on the accrual basis of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountants. Under Financial Accounting Standards Board Accounting Standards Codification (ASC) 958-205, Not-for-Profit Entities - Presentation of Financial Statements, 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. All of the Organization's net assets are unrestricted.

Cash and Cash Equivalents

The organization considers cash equivalents as short-term, low risk, highly liquid investments which are readily convertible to cash in three months or less. The Organization places its cash and cash equivalents with high credit quality financial institutions. Amounts held in financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) at September 30, 2021 and 2020 were \$0.

Investments

Investments are reported at fair value based on quoted market prices or, in the case of certain securities, at estimated values provided by fund managers, if available, or other valuation methods.

Income Taxes

The organization is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code (Code) and that contributions are tax deductible to donors under section 170 of the Code.

Central Florida Chapter, Paralyzed Veterans of America, Inc.
(A Non-Profit Organization)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended September 30, 2021 and 2020

**NOTE 1- Nature of Activities and Summary of Significant Accounting Policies
(Continued)**

Income Taxes (continued)

Under ASC 740-10, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained. CFCPVA does not believe there are any material uncertain tax positions and; accordingly, it will not recognize any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed Internal Revenue Service Form 990 and Form 990-T tax returns as required and all other applicable returns in those jurisdictions where it is required. The Organization believes that it is not subject to U.S. federal, state and local, or non-U.S. Income tax examinations by tax authorities for fiscal years before 2018. For the years ended September 30, 2021 and 2020 respectively, there were no interest or penalties related to uncertain tax positions recorded or included in the consolidated statement of activities.

Contributed Goods and Services

The Organization receives donations of durable medical equipment (motorized wheelchairs, walkers, etc.) which are then refurbished and given to those in need. Recipients do not have to be veteran in order to receive the equipment. The program is called REEP (refurbished equipment exchange program). At September 30, 2021 and 2020, the Organization's REEP consisted of refurbished durable medical equipment and a vehicle. Contributions are considered to be available for unrestricted use unless specifically restricted. Donated equipment is recorded at fair market value discounted by 50% and is reflected as such in the financial statements.

Donated services or discounted rates given to the organization for materials and services used in providing the various programs and activities are not recorded because there is no objective basis available to value such goods and services. A substantial number of volunteers have donated or discounted a significant amount of time and goods to help further the organization's program services and its administration.

Clothing that is donated on behalf of the Organization is sold through the GIVE program and the Organization receives cash from the National Organization for its share of the donated clothing. The GIVE program is administered by the National Organization. For the years ended September 30, 2021 and 2020, the amount received was \$22,302 and \$17,022, respectively.

Central Florida Chapter, Paralyzed Veterans of America, Inc.
(A Non-Profit Organization)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended September 30, 2021 and 2020

**NOTE 1- Nature of Activities and Summary of Significant Accounting Policies
(Continued)**

Expense Recognition and Allocation

The cost of providing various programs and other activities has been summarized on a functional basis in the consolidated statements of activities and consolidated statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly according to their natural expenditure classifications. Certain costs common to multiple functions have been allocated among the various functions benefited. General and administrative expenses include those costs that are not directly identifiable with any specific function, but which provide for the overall support and direction of the Organization.

Board Designated Assets

The Board of Directors of the Organization has designated certain net assets without donor restrictions in order to fund building improvements and major purchases of assets. As of September 30, 2021 and 2020, the amount designated was \$300,000 and \$0, respectively.

NOTE 2 - Fair Value Measurements and Investments

The fair value of financial instruments is presented based upon a hierarchy of levels that prioritize the inputs of 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 priority to unobservable inputs (Level 3 measurements).

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices in active markets within Level 1 that is either directly or indirectly observable.

Level 3: Significant unobservable inputs for the asset or liability in which little, or no market data exists.

The following is a description of the valuation methodologies used for instruments measured at fair value. If available, quoted market prices are used to value investments. Equities are valued at the closing price reported on the major market on which the individual securities are traded.

Central Florida Chapter, Paralyzed Veterans of America, Inc.
(A Non-Profit Organization)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended September 30, 2021 and 2020

NOTE 2 - Fair Value Measurements and Investments (Continued)

All of the Organization's assets for the years ended September 30, 2021 and 2020 were Level 1. At September 30, 2021 the cost and fair value of the Organization's investments are \$896,832 and \$1,025,807 respectively. At September 30, 2020, the cost and fair value of the Organization's investments were \$1,011,295 and \$1,102,214 respectively.

Investment income for the year ended September 30, 2021 was comprised of \$13,643 of dividend and interest income, \$28,854 realized capital gains and \$179,323 of unrealized gain. Investment income for the year ended September 30, 2020 was comprised of \$19,919 of dividend income, \$29,255 capital gain income and \$74,449 unrealized loss.

The Organization's investments are subject to certain risks, such as interest rate, credit and overall market volatility risks. Further, due to the level of risk associated with these instruments, it is reasonably possible that changes in the values of these instruments will occur in the near term and such changes could materially affect the amounts reported in the consolidated statements of activities.

At September 30, 2021 and 2020, the Organization's investments consisted of the following:

Fund	<u>2021</u>	<u>2020</u>
American Funds:		
Fixed Income mutual funds	\$ 253,657	\$ 258,276
Equity mutual funds	826,886	767,531
Total American Funds	<u>\$ 1,080,543</u>	<u>\$ 1,025,807</u>

NOTE 3 – Property and Equipment

Property and equipment are stated at cost, or, if donated, at the fair market value on the date donated. Depreciation is computed over the estimated useful lives of the related assets and is computed on the straight-line method ranging from 5 to 30 years.

Repairs and maintenance are charged to operations when incurred. The Organizations capitalization policy requires capitalization of all acquisitions and/or purchases over \$3,000. The cost and accumulated depreciation of assets that are retired or disposed of are removed from the appropriate asset and accumulated depreciation account, and any resulting gain or loss is included in income.

Central Florida Chapter, Paralyzed Veterans of America, Inc.
(A Non-Profit Organization)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended September 30, 2021 and 2020

NOTE 3 – Property and Equipment (Continued)

Property and equipment consisted of the following at September 30, 2021 and 2020:

	2021	2020
Land	\$ 65,250	\$ 65,250
Buildings and improvements	289,736	204,036
Furniture, fixtures and equipment	125,437	110,121
	480,423	379,407
Less: Accumulated depreciation	(291,529)	(283,351)
Total	\$ 188,894	\$ 96,056

NOTE 4 – Durable Medical Equipment

The Organization receives donations of REEP (refurbished equipment exchange program) durable medical equipment which the Organization in turn either sells or gives to their clients. The Organization’s REEP policy for determining the fair market value for the goods received is to research its fair value and reduce that value by 50% to reduce the likelihood of an overstatement of the donation. As of September 30, 2021 and 2020, the value assigned to the durable medical equipment on hand was \$51,580 and \$13,657, respectively.

NOTE 5 – Paycheck Protection Plan Forgivable Loan

The Organization, on May 4, 2020, applied for and received a forgivable loan in the amount of \$33,808 under the Payroll Protection Plan as enacted by Congress. The Organization has submitted its application for forgiveness of this loan to the Small Business Administration. The loan proceeds has been recorded as a grant and recognized as other income during the period ended September 30, 2020 pursuant to guidance provided by FASB ASC 958-605.

NOTE 6 – Support & Revenue Recognition

The Organization annually receives a contribution from the National Office of the Paralyzed Veterans of America. There are no restrictions placed on these contributions other than those imposed by Section 501(c) (3) of the Internal Revenue Code. Pledges are recognized as support in the year obtained from the donor. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Central Florida Chapter, Paralyzed Veterans of America, Inc.
(A Non-Profit Organization)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended September 30, 2021 and 2020

NOTE 6 – Support & Revenue Recognition (Continued)

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

NOTE 7 – Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, assessments and expenses. Estimates and assumptions also affect the disclosure of contingent liabilities. Accordingly, actual results could differ from those estimates.

NOTE 8 – Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, are primarily cash. The Organization invests its excess cash in both time deposits and short-term liquid money market instruments with major financial institutions and the carrying value approximates market value. The Organization has experienced no losses related to investments. The Organization believes it is not exposed to any significant credit risk. At September 30, 2021 and 2020, amounts held in financial institutions in excess of the Securities Investor Protection Corporation (SIPC) limit of \$500,000 were \$580,542 and \$525,807, respectively.

NOTE 9 – Reclassification

Reclassification

Certain prior year amounts have been reclassified to conform with the current year presentation, principally related to the presentation of dividends, gains and unrealized gain (loss) on investments.

Central Florida Chapter, Paralyzed Veterans of America, Inc.
(A Non-Profit Organization)
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended September 30, 2021 and 2020

NOTE 10 – Subsequent Events

Events that occur after the statement of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of Central Florida Chapter, Paralyzed Veterans of America, Inc. through December 15, 2021 (date the financial statements were available to be issued) and concluded that no subsequent events require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.