

**NATIONAL CUED SPEECH ASSOCIATION
REVIEWED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
AUGUST 31, 2022**

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees of
National Cued Speech Association
Vienna, VA

We have reviewed the accompanying financial statements of National Cued Speech Association (a nonprofit organization), which comprise the statement of financial position as of August, 31 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for my (our) conclusion.

We are required to be independent of National Cued Speech Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Vijay B.Sharma CPA PC

Sterling, VA
March 6, 2023

**NATIONAL CUED SPEECH ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS OF AUGUST 31, 2022**

ASSETS

Current Assets:

Cash	\$60,023	\$ 50,047
Investments	55,000	30,000
Other current assets	25,799	49,215
Total Current Assets	<u>140,823</u>	<u>129,261</u>
 Total Assets	 <u>140,823</u>	 <u>129,261</u>

LIABILITIES AND NET ASSETS

Net Assets

Without Donor Restrictions	95,975	84,413
With Donor Restrictions	44,848	44,848
Total Net Assets	<u>140,823</u>	<u>129,261</u>
 Total Liabilities and Net Assets	 <u>140,823</u>	 <u>129,261</u>

NATIONAL CUED SPEECH ASSOCIATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2022

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenue			
Donation Income	\$90,925	-	\$90,925
Membership dues Income	5,082	-	5,082
AISAC Income	696	-	696
InsCert Income	836	-	836
Assessment Income	1,233	-	1,233
Investment Income	1,720	-	1,720
Royalty - Membership sales	716	-	716
Royalty - Product Sales	1,600	-	1,600
Total Revenue	102,808	-	102,808
Expenses			
Program Services	64,036	-	64,036
Supporting Services	-	-	-
Management and General	27,210	-	27,210
Total Expenses	91,245	-	91,245
Changes in the Net Assets	11,562	-	11,562
Opening Balance of Net Assets	84,413	\$44,848	129,261
Closing Balance of Net Assets	<u>\$95,975</u>	<u>\$44,848</u>	<u>\$140,823</u>

**NATIONAL CUED SPEECH ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2022**

Expense Disclosure by both function and nature

	Program Services	Supporting Services	Total
Operational Expenses			
Accounting	\$3,100		\$3,100
Advertising	399		399
AISAC Expense	724		724
Assessment	600		600
Bank Charges	612		612
Board Support	7,150		7,150
Book Keeping	3,600		3,600
CFC Fees	1,515		1,515
Clerical Help	2,775		2,775
Computer Expenses	2,002		2,002
Contract	3,000		3,000
Copying and Printing	4,444	\$4,759	9,203
Cornett Scholarship	1,000		1,000
Cue Camps - Sponsorship	12,600		12,600
Cued Speech Office	63		63
DCLP Program	6,629		6,629
Exhibit Expense	2,731		2,731
Graphic Art	100		100
InsCert Program	1,391		1,391
InsCert Stipend	600		600
Legal Fees		1,225	1,225
Liability Insurance	2,781		2,781
Management		21,167	21,167
Newsletter Expenses	2,946		2,946
Office Expense		59	59
State Registration	2,876		2,876
Telephone	397		397
Total	\$64,036	\$27,210	\$91,245

**NATIONAL CUED SPEECH ASSOCIATION
STATEMENT OF CASH FLOWS- INDIRECT METHOD
FOR THE FISCAL YEAR ENDED AUGUST 31, 2022**

Cash flows from operating activities:

Change in the Net Assets	\$11,562
Adjustments to reconcile net change in net assets to cash provided (used) by operating activities :	
Decrease in Net current assets	23,414
Net cash provided by operating activities	<u>34,977</u>

Cash flows from investing activities:

Purchase of Investments	(55,000)
Sale of Investments	30,000
	(25,000)

Increase in cash	9,977
Cash, beginning of year	<u>50,047</u>
Cash, end of year	<u>\$60,023</u>

NATIONAL CUED SPEECH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2022

Note 1 - Organization and Summary of Significant Accounting Policies

National Cued Speech Association ("the Organization") was formed in Rockville, Maryland in 1982, as a not-for-profit organization, to serve the needs of parents and special educators working with children who are deaf and hearing impaired. The NCSA is primarily an advocacy organization and focuses on outreach, family and educator support, as well as community-based education in the form of cue camps and sponsored workshops. The NCSA also provides instructor certification for teaching cued speech classes.

Basis of Accounting

The accompanying financial statements have been prepared in accordance with standards for not-for-profit organizations adopted by the Financial Accounting Standards Board. They are stated on the accrual basis of accounting whereby expenses are recorded when incurred and donations are recorded when received.

The Organization is governed by a volunteer Board of Directors who oversee the Organization's operations. All directors are independent. Revenues to support the Organization are primarily received from donations of cash.

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Royalties

The Organization has entered into royalty agreement with associates (Grantees) to pay for royalty at 75 percent of Grantee's net profit for each type of property that Grantee sells on behalf of the Organization and 90% net profit, for the sale of Organization's membership.

Net Profit shall mean the total revenue received by Grantee from the sale of the property / membership, less any and all direct expenses to the Grantee of creating the products Grantee is selling on behalf of the Organization, including all printing, binding and other such direct expenses of creating a printed version of the property for sale. Indirect expenses of developing, operating and maintenance all aspects of the Grantee website, via which the property will be marketed and sold, shall be considered covered by the other 25 percent of revenue retained by the Grantee.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash

Cash consists of interest and non-interest bearing bank accounts.

Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Income Taxes

The Organization is exempt from Federal income taxes under section 501(c)(6) of the Internal Revenue Code. In accordance with Internal Revenue Code section 162(e), the Coalition has opted to notify members of the non-deductible portion of dues relating to lobbying expenditures.

As of August 31, 2022, the federal and state statute of limitations remains open for the September 30, 2019 through August 31, 2022 tax years.

Financial Risk

The Organization maintains cash and certificates of deposit, at several banks, which at times may exceed Federally insured limits. 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 certificates of deposit.

Note 2 - Liquidity Management

NCSA's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash	\$ 60,023
Investments	55,000
Total	<u>\$ 115,023</u>

The Organization has a goal to maintain cash on hand to meet sixty days of ordinary business expenses. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The cash at August 31, 2022 \$115,023 is sufficient to cover all expenses for the year ended August 31, 2023.

Note 3 - Investments

<u>Name</u>	<u>Amount</u>	<u>Details</u>
Fidelity Investment: Goldman Sachs	\$30,000	CD 3.35%
Fidelity Investment: Goldman Sachs	10,000	CD 0.5%
Fidelity investment: Bank of China, New York City Branch	5,000	CD 4.65%
Fidelity investment: UBS Bank	<u>10,000</u>	CD 0.75%
	<u><u>\$55,000</u></u>	

Note 4 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fair Value Measurements and Disclosures topic of the FASB Accounting Standards Codification establishes a common definition for fair value to be applied to U.S. generally accepted accounting principles requiring use of fair value, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements.

The framework establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

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

Level 2: Unadjusted observable inputs for identical or comparable assets identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3: Unobservable inputs for the asset or liability.

The following table summarizes the valuation of the financial instruments by the above pricing levels as of August 31, 2022:

	Unadjusted quoted market prices (Level 2)	Total
Certificates of deposit	<u>\$55,000</u>	<u>\$55,000</u>

Note 5 - Management Services

<u>Name</u>	<u>Amount</u>	<u>Nature of Service</u>
Sarina Roffe Management Group	\$12,000	Event Planning
Scott S Valenzuela	<u>9,167</u>	Executive Director
	<u>\$21,167</u>	

Note 5 - Subsequent Events

NCSA has evaluated all subsequent events through March 6, 2023, which is the date the financial statements were available to be issued, and concluded no events or transactions occurred during the period requiring recognition or disclosure.