

**NATIONAL CUED SPEECH ASSOCIATION
REVIEWED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
AUGUST 31, 2023**

TABLE OF CONTENTS

	Page
Independent Accountant's Review Report.....	3
Financial Statements	
Statement of Financial Position.....	4
Statement of Activities and Changes in Net Assets.....	5
Statement of Functional Expenses.....	6
Statement of Cash Flows.....	7
Notes to Financial Statements	8-12

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees of
National Cued Speech Association

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, 2023, and the related statements of activities and changes in net asset, statement of functional expenses and statement of cash flows-indirect method 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 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 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 my 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
January 16, 2024

**NATIONAL CUED SPEECH ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS OF AUGUST 31, 2023**

ASSETS

Current Assets:

Cash - unrestricted	\$56,658
Cash - restricted	\$16,882
Investments	61,956
Other current assets	5,408
Total Current Assets	140,904
Total Assets	\$140,904

LIABILITIES AND NET ASSETS

Other current liabilities	2,980
Total Current Liabilities	2,980
Net Assets	
Without Donor Restrictions	92,880
With Donor Restrictions	45,044
Total Net Assets	137,924
Total Liabilities and Net Assets	\$140,904

NATIONAL CUED SPEECH ASSOCIATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2023

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenue			
Donation Income	\$52,306	\$31,000	\$83,306
Registrations	531		\$531
Membership dues Income	2,473	-	2,473
AISAC Income	2,268		2,268
InsCert Income	1,918	-	1,918
Assessment Income	2,923	-	2,923
Total Revenue	<u>62,420</u>	<u>31,000</u>	<u>93,420</u>
Expenses			
Program Services	55,737	30,804	86,541
Supporting Services		-	
Management and General	9,462	-	9,462
Total Expenses	<u>65,199</u>	<u>30,804</u>	<u>96,003</u>
Other Income / (Expense)			
Royalty - Membership sales	105		105
Royalty - Product Sales	290		290
Interest & Dividend	1,400		1,400
Unrealized Loss	(2,111)		(2,111)
Total Other Income / (Expense)	<u>(317)</u>	<u>-</u>	<u>(317)</u>
Changes in the Net Assets	<u>(3,096)</u>	<u>196</u>	<u>(2,900)</u>
Opening Balance of Net Assets	95,975	\$44,848	140,823
Closing Balance of Net Assets	<u>\$92,880</u>	<u>\$45,044</u>	<u>\$137,924</u>

**NATIONAL CUED SPEECH ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2023**

Expense Disclosure by both function and nature

	Program	Management & General	Total
Operational Expenses			
Accounting	\$2,500		\$2,500
AISAC Expense	2,268		2,268
Assessment	140		140
Bank Charges	77		77
Board Support	17,355		17,355
Book Keeping	4,338		4,338
CFC Fees	1,924		1,924
Computer Expenses	1,952		1,952
Contract	305		305
Copying and Printing	920	339	1,259
Cue Camps - Sponsorship	17,000		17,000
DCLP Program	7,804		7,804
Exhibit Expense	2,103		2,103
Graphic Art	-		-
InsCert Program	3,497		3,497
InsCert Stipend	600		600
Legal Fees		1,050	1,050
Liability Insurance	2,951		2,951
Management	7,628	7,628	15,256
Office Expense		401	401
State Registration	3,496		3,496
Telephone	350		350
Subscriptions	99		99
Give Direct Processing Fees	137		137
Misc		44	44
Membership Accessibility	3,559		3,559
InsCert Travel	2,579		2,579
Office Supplies/Expenses	445		445
Postage/Shipping	246		246
Printing	73		73
Reimbursable Expense	225		225
Webinars	1,970		1,970
	<u>\$86,541</u>	<u>\$9,462</u>	<u>\$96,003</u>

See independent accountant's review report and accompanying notes to the financial statements

**NATIONAL CUED SPEECH ASSOCIATION
STATEMENT OF CASH FLOWS- INDIRECT METHOD
FOR THE FISCAL YEAR ENDED AUGUST 31, 2023**

Cash flows from operating activities:

Change in the Net Assets	(\$2,900)
Adjustments to reconcile net change in net assets to cash provided (used) by operating activities :	
Unrealized Loss	2,111
Decrease in other current assets	(5,556)
Increase in current liabilities	2,979
Net cash provided by operating activities	<u>(3,365)</u>

Cash flows from investing activities:

Purchase of Investments	(55,000)
Sale of Investments	55,000
	<u>-</u>

Decrease in cash	(3,365)
Cash, beginning of year	<u>60,023</u>
Cash, end of year	<u><u>\$56,658</u></u>

NATIONAL CUED SPEECH ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2023

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 Organization 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 Organization 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 Trustees who oversee the Organization's operations. All trustees 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

Net assets subject to stipulations imposed by donors and grantors that will be satisfied by action of the Organization.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy.

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. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Revenue Recognition

The Organization receives income by Contributions from the public, by Membership Dues without any requirement to exchange obligations on contract, and by conducting Programs like Cue class, examination and awarding Certifications etc., As such, these incomes are recognized at a point in time. The Organization follows a price structure in deciding the charges for Membership Dues and Program Incomes, without resorting to terminal discounts.

The following table provides a disaggregation of revenue based on timing of recognition:

<u>Overtime</u>	NIL
<u>At a point in time</u>	
Donation Income	\$83,306
Registrations	531
Membership Dues	2,473
AISAC	2,268
InsCERT	1,919
Assessment	<u>2,923</u>
	<u>\$93,420</u>

Royalty Income

The Organization has entered into royalty agreement with associates (Grantees) to receive 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.

Functional Allocation of Expenses

The cost of providing program and other activities has been summarized on a functional basis in the statements of functional expenses. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas.

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, 2023, the federal and state statute of limitations remains open for the September 30, 2020 through August 31, 2023 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-Unrestricted	\$56,658
Investments	<u>61,956</u>
	118,614
Less.	
Net assets With Donor Restrictions	<u>(45,044)</u>
Total	<u>\$73,570</u>

The Organization has a goal to maintain cash on hand to meet sixty days of ordinary business expenses. The Organizations has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Note 3 – Investments

Investments are presented at fair value in the financial statements and are composed of the following at August 31, 2023:

	<u>Adjusted</u> <u>Cost</u>	<u>Fair</u> <u>Market</u> <u>Value</u>	<u>Unrealized</u> <u>Loss</u>
Fidelity Investment: JPMorgan Chase Bank, NA -CD 5.45%	\$30,009	\$29,937	(72)
Fidelity Investment: Goldman Sachs - CD 0.5%	10,015	9,898	(117)
Fidelity investment: Bank of China, New York City Branch -CD 4.65%	5,156	4,985	(171)
Fidelity investment: UBS Bank - CD 0.75%	10,003	9,435	(568)
Fidelity Investment: Total Bond	<u>8,886</u>	<u>7,701</u>	<u>(1,183)</u>
	<u>\$64,068</u>	<u>\$61,956</u>	<u>(2,111)</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, 2023:

	Unadjusted quoted market prices (Level 2)	Total
Certificates of deposit	\$54,255	\$54,255
Bond Funds	<u>7,701</u>	<u>7,701</u>
	<u>\$61,956</u>	<u>\$61,956</u>

Note 5 - Management Expenses

<u>Name</u>	<u>Amount</u>	<u>Nature of Service</u>
Hang Thi Thanh Bui	\$ 6,090	Event Planning
Scott S Valenzuela	<u>9,166</u>	Executive Director
	<u>\$15,256</u>	

Note 5 - Subsequent Events

NCSA has evaluated all subsequent events through January 16, 2024 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.