

**CENTRAL SUSQUEHANNA  
SIGHT SERVICES**

**FINANCIAL STATEMENTS**

**December 31, 2021**

CENTRAL SUSQUEHANNA SIGHT SERVICES

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### Independent Auditor's Report

To the Board of Directors  
Central Susquehanna Sight Services  
Sunbury, PA 17801

We have audited the accompanying financial statements of Central Susquehanna Sight Services (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets – modified cash basis as of December 31, 2021, and the related statements of support, revenue, expenses and changes in net assets – modified cash basis, functional expenses – modified cash basis, and cash flows – modified cash basis for the year 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 the modified cash basis of accounting as described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 audit 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 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 audit opinion.

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Central Susquehanna Sight Services as of December 31, 2021, and its support, revenue, and expenses for the year then ended in accordance with the modified cash basis of accounting as described in Note 2.

#### **Basis of Accounting**

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

February 15, 2022

A handwritten signature in black ink that reads 'Herring, Roll &amp; Solomon'.

CENTRAL SUSQUEHANNA SIGHT SERVICES  
STATEMENT of ASSETS, LIABILITIES and NET ASSETS - MODIFIED CASH BASIS  
December 31, 2021

## ASSETS

## Current Assets:

Cash and cash equivalents (Note 3)	\$ 186,320
Investments for current use (Note 4)	534,417
Inventory	<u>2,847</u>

Total Current Assets	<u>723,584</u>
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## Fixed Assets:

Land	5,000
Buildings	247,639
Automobile	97,921
Equipment	<u>61,279</u>

Total Fixed Assets	411,839
Less Accumulated Depreciation	<u>(270,808)</u>

Net Fixed Assets	<u>141,031</u>
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Total Assets	<u><u>\$ 864,615</u></u>
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## LIABILITIES AND NET ASSETS

## Current Liabilities:

Credit Card Liability	\$ 131
Payroll Taxes Payable	5,685
Customer Deposits	<u>48</u>

Total Current Liabilities	<u>5,864</u>
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Total Liabilities	<u>5,864</u>
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Net Assets without donor restrictions	<u>858,751</u>
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Total Net Assets	<u>858,751</u>
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Total Liabilities and Net Assets	<u><u>\$ 864,615</u></u>
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The accompanying notes are an integral part of these financial statements.

CENTRAL SUSQUEHANNA SIGHT SERVICES  
STATEMENT of SUPPORT, REVENUE, EXPENSES and  
CHANGES in NET ASSETS - MODIFIED CASH BASIS  
For the Year Ending December 31, 2021

	Net Assets without Donor Restrictions
<b>PUBLIC SUPPORT:</b>	
Foundations/special gifts	\$ 87,239
Bequests	12,031
Solicited contributions	7,537
United Way allocation	5,507
Unsolicited contributions	9,416
Total Public Support	<u>121,730</u>
<b>GOVERNMENT GRANTS:</b>	
Social Services	82,882
Prevention	23,133
Total Government Grants	<u>106,015</u>
<b>OTHER RECEIPTS:</b>	
Investment income	11,887
Payroll protection program loan	21,435
Rugs, caning and broom sales	418
Visual aid sales	1,198
Eye exam program	10
Event income	23,555
Miscellaneous income	389
Total Other Receipts	<u>58,892</u>
<b>TOTAL PUBLIC SUPPORT, GOVERNMENT GRANTS AND CASH RECEIPTS</b>	<u>\$ 286,637</u>
<b>Expenses</b>	
<b>PROGRAM SERVICES:</b>	
Blind workshop	\$ 2,300
Social Services	139,184
Prevention of blindness	73,127
Blind aids and grants	-
Total Program Services	<u>214,611</u>
<b>SUPPORTING SERVICES:</b>	
Management and General	16,335
Fundraising	1,388
Total Supporting Services	<u>17,723</u>
<b>Total Program and Supporting Services</b>	<u>232,334</u>
<b>Other Increases/(Decreases) in Net Assets:</b>	
Realized gain from sale of investments	5,603
Unrealized gain on investments	40,440
Total Other Increases/(Decreases) in Net Assets	<u>46,043</u>
<b>TOTAL EXPENSES AND OTHER INCREASES/(DECREASES) IN NET ASSETS</b>	<u>\$ 186,291</u>
<b>Net Increase in Net Assets</b>	100,346
Net Assets: January 1, 2021	758,405
Net Assets: December 31, 2021	<u>\$ 858,751</u>

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

CENTRAL SUSQUEHANNA SIGHT SERVICES  
STATEMENT of FUNCTIONAL EXPENSES - MODIFIED CASH BASIS  
For the Year Ended December 31, 2021

	Program Services				Total Program Services	Supporting Services		Total Supporting Services
	Blind Workshop	Social Services	Prevention of Blindness	Blind Aids & Grants		Management and General	Fundraising	
Salaries	\$ -	\$ 71,921	\$ 41,403	\$ -	\$ 113,324	\$ 4,745	\$ 250	\$ 4,995
Advertising/publicity	-	-	138	-	138	-	-	-
Picnics/dinner	-	183	178	-	361	-	-	-
Refreshments	-	5	5	-	10	-	-	-
Payroll taxes	-	5,821	3,333	-	9,154	393	21	414
Insurance	218	5,375	2,602	-	8,195	298	8	306
Water and sewer	17	406	197	-	620	23	1	24
Lights	46	1,220	588	-	1,854	66	1	67
Fuel	20	453	218	-	691	27	1	28
Repairs and maintenance	56	1,234	656	-	1,946	68	2	70
Postage/Freight	99	176	324	-	599	32	787	819
Telephone/Internet	-	873	710	-	1,583	85	-	85
Conference and travel	47	2,429	771	-	3,247	63	2	65
Legal and accounting	621	13,836	6,755	-	21,212	800	20	820
Dues and subscriptions	33	13,652	4,668	-	18,353	116	2	118
Car and maintenance	-	2,655	656	-	3,311	568	-	568
Miscellaneous	-	-	-	-	-	-	-	-
Health insurance/Life Insurance	217	7,302	2,843	-	10,362	278	26	304
Stationery and supplies	24	1,224	371	-	1,619	40	1	41
Employee Retirement	-	1,917	1,265	-	3,182	142	4	146
Visual aids	-	150	-	-	150	-	-	-
Adult Screenings	-	-	-	-	-	-	-	-
Eye exam program	-	-	80	-	80	-	-	-
Literature	-	-	418	-	418	-	-	-
Glasses	-	-	523	-	523	-	-	-
Gifts and grants	-	750	625	-	1,375	-	-	-
Depreciation	655	7,598	3,800	-	12,053	786	262	1,048
Retirement	-	-	-	-	-	-	-	-
Event expense	-	-	-	-	-	8,023	-	8,023
Cost of goods sold	247	4	-	-	251	(218)	-	(218)
	<u>\$ 2,300</u>	<u>\$ 139,184</u>	<u>\$ 73,127</u>	<u>\$ -</u>	<u>\$ 214,611</u>	<u>\$ 16,335</u>	<u>\$ 1,388</u>	<u>\$ 17,723</u>

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

CENTRAL SUSQUEHANNA SIGHT SERVICES  
STATEMENT of CASH FLOWS - MODIFIED CASH BASIS  
Year Ended December 31, 2021

## Cash flows from operating activities:

Change in net assets	\$ 100,346
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	13,101
Increase in Inventory	(540)
Decrease in Payroll Taxes Payable	(349)
Increase in Credit Card Liability	16
Unrealized gain on investment	(40,440)
Realized gain on investment	(5,603)
Decrease in Other Payables	<u>-</u>
Net cash provided by operating activities	<u>66,531</u>
Cash Flows from Investing Activities	
Purchase of equipment	-
Sale of investments	60,488
Purchase of investments	<u>(66,541)</u>
Net cash used by investing activities	<u>(6,053)</u>
Net Increase in Cash and Cash Equivalents	60,478
Cash and cash equivalents at beginning of year	<u>125,842</u>
Cash and cash equivalents at end of year	<u><u>\$ 186,320</u></u>

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

CENTRAL SUSQUEHANNA SIGHT SERVICES  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021

**NOTE 1 - ORGANIZATION**

The organization was incorporated in December 13, 1948. The purpose of the organization is to act as a bureau of information, provide training to visually handicapped, to provide industrial instruction for blind persons in the home, to aid the needy, aged, and inform blind, and to solicit funds to aid the blind.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**

**Basis of Accounting**

The financial statements of the organization have been prepared on the modified cash basis of accounting. Under such method, revenues are recognized when received and expenses are recognized when disbursed. The organization recognizes fixed assets, investments, inventory and notes payable, which is a deviation from the cash basis of accounting.

**Fixed Assets and Depreciation**

Fixed asset purchases are recorded at cost. Depreciation of fixed assets is provided using the straight-line method over the estimated useful lives of assets.

**Income Taxes**

The organization is a qualified non-profit corporation under Section 501(c) (3) of the Internal Revenue Code. As such, the corporation is not required to pay income taxes, and therefore, no corporate tax provision is presented in the financial statements.

The organization is subject to routine examination by taxing jurisdictions. However, currently no examinations of any tax periods are in process. Management believes the organization is no longer subject to income tax examinations for years prior to December 31, 2018.

**Investments**

In accordance with the accounting standards codification, investments are recorded at market value. Realized and unrealized gains and losses are recorded in the Statement of Support, Revenue, Expenses and Changes in Net Assets.

**Use of Estimates**

The preparation of financial statements in conformity with the organization's special purpose framework requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Financial Statement Presentation**

The financial statements of the Organization have been prepared on the modified cash basis of accounting. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.



CENTRAL SUSQUEHANNA SIGHT SERVICES  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021  
(Continued)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES** (Continued)

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified 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 Non-Profit 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.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as net asset with donor restrictions. This support is transferred from net assets with donor restrictions to net assets without donor restrictions as the funds are expended for their purpose within the year.

All contributions have been determined to have been received without donor restrictions.

**Functional Expenses**

Expenses are charged to each program based on direct expenditures incurred. Any program expenditures not directly chargeable are allocated based on a prescribed percentage formula.

**Liquidity Management**

Central Susquehanna Sight Services' financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash and cash Equivalents	\$186,320
Investments for current use	<u>534,417</u>
Total	<u>\$720,737</u>

**Subsequent Events**

Management has evaluated subsequent events through February 15, 2022, the date on which the statements were available to be issued.

CENTRAL SUSQUEHANNA SIGHT SERVICES  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021  
(Continued)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES** (Continued)

**Accounting Pronouncement**

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Central Susquehanna Sight Services has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

**NOTE 3 - CASH ACCOUNTS**

A detail listing of cash accounts as of December 31, 2021 is as follows:

Petty cash	\$ 70
NOW account	5,647
Emergency checking	81,965
Raffle checking	42,147
Cash – Money Market	100
Cash – Susq Trust MM	<u>56,391</u>
	<u>\$ 186,320</u>

Excess cash deposits in the revocable trust are secured by a pool of pledged assets at BB&T.

**NOTE 4 - INVESTMENTS**

The organization follows the Codification's guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Fair Value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. U.S. generally accepted accounting principles (US GAAP) establish the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs have the highest reliability and are related to quoted prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date.
- Level 2 inputs relate to assets or liabilities with other than quote prices included within Level 1 that are observable for the asset or liability; either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

CENTRAL SUSQUEHANNA SIGHT SERVICE  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021  
(Continued)

**NOTE 4 - INVESTMENTS** (Continued)

Investments at December 31, 2021 consist of bonds and equity securities which are classified as Level 1 under the Fair Value Hierarchy (Level 1 inputs are quoted prices for identical assets in active markets) and are summarized as follows:

Assets at Fair Value as of December 31, 2021

	Level 1	Level 2	Level 3
Equity Investments	\$ 262,352	\$ -0-	\$ -0-
Mutual Fund – BB&T	<u>272,065</u>	<u>-0-</u>	<u>-0-</u>
Total assets at fair value	<u>\$ 534,417</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

	<u>Cost</u>	<u>Market</u>
3,712.606 shares Doubleline T/R Bond Fund	\$39,414	\$38,611
5,935.382 shares Pimco Investment Grade Fund	66,530	63,449
6,879.970 shares Western Asset Core Bond Fund	94,942	91,066
22 shares Abbott Laboratories	2,205	3,096
30 shares Abbvie Inc.	2,837	4,062
26 shares Air Products and Chemicals Inc.	7,910	7,911
3 shares Alphabet Inc.	5,047	8,681
96 shares Altria Group Inc.	4,139	4,549
5 shares Amgen Inc.	1,015	1,125
4 shares American Tower Corp	906	1,170
49 shares Apple Inc.	1,667	8,701
15 shares Automatic Data Processing	2,118	3,699
32 shares Berkshire Hathaway Inc.	7,065	9,568
6 shares Best Buy Company Inc.	685	610
10 shares Blackrock Inc.	5,987	9,156
30 shares Bristol-Myers Squibb Co.	1,711	1,871
8 shares Broadcom Inc.	2,975	5,323
39 shares Carmax Inc.	4,230	5,079
361.767 shares Eaton Vance Atlanta Capital	13,463	15,050

CENTRAL SUSQUEHANNA SIGHT SERVICES  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021  
(Continued)

<b>NOTE 4 -</b>	<b><u>INVESTMENTS</u></b> (Continued)	<u>Cost</u>	<u>Market</u>
	23 shares Chevron Corp.	1,920	2,699
	19 shares Church & Dwight Inc.	1,595	1,948
	115 shares CISCO Systems Inc.	4,874	7,288
	24 shares Citrix Systems Inc.	3,500	2,270
	34 shares Comcast Corp.	1,226	1,711
	5 shares Corning Inc.	204	186
	21 shares Crown Castle Intl Corp.	3,439	4,384
	5 shares Eversource Energy	457	455
	19 shares Fedex Corp.	4,069	4,656
	31 shares Home Depot Inc.	7,590	12,865
	6 shares Honeywell International Inc.	1,018	1,251
	9 shares Illinois Tool Works Inc.	1,807	2,221
	34 shares JP Morgan Chase & Co.	2,750	5,384
	21 shares Johnson & Johnson	3,152	3,592
	13 shares Eli Lilly & Co.	1,940	3,591
	9 shares Lockheed Martin Corp.	3,536	3,199
	13 shares Lowe's Cos. Inc.	2,206	3,360
	20 shares Marsh & McLennan Cos. Inc.	2,351	3,476
	13 shares Martin Marietta Materials	2,728	5,727
	12 shares McDonalds Corp.	2,588	3,217
	48 shares Merck & Co Inc.	3,510	3,679
	5 shares Meta Platforms Inc.	1,804	1,682
	18 shares Microsoft Corp.	1,231	6,054
	56 shares Mondelez International Inc.	2,956	3,713
	9 shares Newmarket Corp.	3,447	3,084
	51 shares Nextera Energy Inc.	3,123	4,761
	18 shares Norfolk Southern Corp.	3,123	5,359

CENTRAL SUSQUEHANNA SIGHT SERVICES  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021  
(Continued)

<b>NOTE 4 -</b>	<b><u>INVESTMENTS</u></b> (Continued)	<u>Cost</u>	<u>Market</u>
	8 shares O'Reilly Automotive Inc.	3,864	5,650
	4 shares Old Dominion Freight Line Inc.	1,094	1,434
	15 shares PNC Financial Services Group Inc.	1,677	3,008
	26 shares Paychex Inc.	2,013	3,549
	27 shares Pepsico Inc.	3,713	4,690
	57 shares Pfizer Inc.	2,004	3,366
	11 shares Phillips 66	659	797
	15 shares Procter & Gamble Co.	2,027	2,454
	34 shares Progressive Corp.	3,228	3,490
	19 shares Prologis Inc.	1,154	3,199
	21 shares Qualcomm Inc.	2,878	3,840
	19 shares Realty Income Corp.	1,191	1,360
	82 shares Charles Schwab Corp.	3,168	6,896
	16 shares Sempra Energy	1,993	2,116
	26 shares Starbucks Corp.	2,262	3,041
	130 shares Store Capital Corp.	3,602	4,472
	57 shares Texas Instruments Inc.	8,344	10,743
	34 shares US Bancorp	1,266	1,910
	3 shares United Parcel Service	480	643
	75 shares Verizon Communications Inc.	4,551	3,897
	22 shares Visa Inc.	3,329	4,768
	17 shares WEC Energy Group Inc.	1,647	1,650
	34 shares Nestle SA ADR	4,112	4,773
	11 shares Eaton Corp PLC.	1,002	1,901
	4545.159 shares Dodge & Cox Income Fund	67,411	63,905
	22 shares Medtronic PLC.	<u>2,383</u>	<u>2,276</u>
		<u>\$468,042</u>	<u>\$534,417</u>

CENTRAL SUSQUEHANNA SIGHT SERVICES  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021  
(Continued)

**NOTE 5 - LINE OF CREDIT**

The Line of Credit as of December 31, 2021 is as follows:

BB&T, secured by Trust Account held by corporation.  
Line of Credit, interest rate is 3.25%, limit of \$25,000.

\$ 0