

**CENTRAL SUSQUEHANNA
SIGHT SERVICES**

FINANCIAL STATEMENTS

December 31, 2022

CENTRAL SUSQUEHANNA SIGHT SERVICES

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Central Susquehanna Sight Services

Opinion

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, 2022, 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.

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, 2022, 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 for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Central Susquehanna Sight Services and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 2, and for 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Central Susquehanna Sight Services's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Susquehanna Sight Services's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Sunbury, PA

March 7, 2023

CENTRAL SUSQUEHANNA SIGHT SERVICES
 STATEMENT of ASSETS, LIABILITIES and NET ASSETS - MODIFIED CASH BASIS
 December 31, 2022

ASSETS

Current Assets:

Cash and cash equivalents (Note 3)	\$ 174,650
Investments for current use (Note 4)	469,516
Inventory	1,828

Total Current Assets	<u>645,994</u>
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Fixed Assets:

Land	5,000
Buildings	256,139
Automobile	97,921
Equipment	88,406

Total Fixed Assets	447,466
Less Accumulated Depreciation	<u>(287,354)</u>

Net Fixed Assets	<u>160,112</u>
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Total Assets	<u><u>\$ 806,106</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Credit Card Liability	\$ 265
Sales Tax Liability	4
Direct Deposit Liability	1,823
Payroll Taxes Payable	3,289
Customer Deposits	48

Total Current Liabilities	<u>5,429</u>
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Total Liabilities	<u>5,429</u>
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Net Assets without donor restrictions	<u>800,677</u>
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Total Net Assets	<u>800,677</u>
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Total Liabilities and Net Assets	<u><u>\$ 806,106</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, 2022

	Net Assets without Donor Restrictions
PUBLIC SUPPORT:	
Foundations/special gifts	\$ 74,528
Bequests	16,503
Solicited contributions	5,477
United Way allocation	9,015
Unsolicited contributions	9,527
Total Public Support	115,050
GOVERNMENT GRANTS:	
Social Services	99,438
Prevention	33,702
Total Government Grants	133,140
OTHER RECEIPTS:	
Investment income	13,117
Rugs, caning and broom sales	966
Visual aid sales	526
Eye exam program	5
Event income	27,785
Miscellaneous income	-
Total Other Receipts	42,399
TOTAL PUBLIC SUPPORT, GOVERNMENT GRANTS AND CASH RECEIPTS	\$ 290,589
Expenses	
PROGRAM SERVICES:	
Blind workshop	\$ 1,649
Social Services	154,907
Prevention of blindness	76,171
Total Program Services	232,727
SUPPORTING SERVICES:	
Management and General	15,942
Fundraising	980
Total Supporting Services	16,922
Total Program and Supporting Services	249,649
Other Increases/(Decreases) in Net Assets:	
Realized gain from sale of investments	29,589
Unrealized gain/(loss) on investments	(128,603)
Total Other Increases/(Decreases) in Net Assets	(99,014)
TOTAL EXPENSES AND OTHER INCREASES/(DECREASES) IN NET ASSETS	\$ 348,663
Net Decrease in Net Assets	(58,074)
Net Assets: January 1, 2022	858,751
Net Assets: December 31, 2022	\$ 800,677

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, 2022

	Program Services			Total Program Services	Supporting Services		Total Supporting Services
	Blind Workshop	Social Services	Prevention of Blindness		Management and General	Fundraising	
Salaries	\$ -	\$ 77,982	\$ 39,959	\$ 117,941	\$ 3,441	\$ 475	\$ 3,916
Picnics/dinner	-	195	201	396	-	-	-
Payroll taxes	-	6,175	3,114	9,289	263	39	302
Insurance	28	8,158	3,661	11,847	288	14	302
Water and sewer	1	447	200	648	15	1	16
Lights	2	1,177	527	1,706	41	2	43
Fuel	1	554	248	803	19	1	20
Repairs and maintenance	3	1,061	475	1,539	37	2	39
Postage/Freight	182	496	1,038	1,716	82	36	118
Telephone/Internet	-	852	759	1,611	46	-	46
Conference and travel	2	2,755	1,749	4,506	42	2	44
Legal and accounting	32	15,255	6,828	22,115	842	27	869
Dues and subscriptions	4	12,240	4,500	16,744	344	4	348
Car and maintenance	-	4,701	996	5,697	423	-	423
Miscellaneous	-	122	122	244	61	-	61
Health insurance/Life Insurance	10	7,551	2,900	10,461	167	40	207
Stationery and supplies	1	791	567	1,359	19	1	20
Employee Retirement	-	2,358	1,266	3,624	103	5	108
Visual aids	-	126	-	126	-	-	-
Eye exam program	-	-	40	40	-	-	-
Literature	-	-	1,194	1,194	-	-	-
Glasses	-	-	252	252	-	-	-
Gifts and grants	-	800	775	1,575	-	-	-
Depreciation	827	9,594	4,800	15,221	993	331	1,324
Event expense	-	-	-	-	8,716	-	8,716
Cost of goods sold	556	1,517	-	2,073	-	-	-
	<u>\$ 1,649</u>	<u>\$ 154,907</u>	<u>\$ 76,171</u>	<u>\$ 232,727</u>	<u>\$ 15,942</u>	<u>\$ 980</u>	<u>\$ 16,922</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, 2022

Cash flows from operating activities:

Change in net assets	\$ (58,074)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	16,545
(Increase)/Decrease in Inventory	1,019
Increase/(Decrease) in Payroll Taxes Payable	(2,396)
Increase/(Decrease) in Credit Card Liability	134
Unrealized (gain)/loss on investment	128,603
Realized gain on investment	(29,589)
Increase/(Decrease) in Other Payables	<u>1,827</u>
Net cash provided by operating activities	<u>58,069</u>
Cash Flows from Investing Activities	
Purchase of equipment	(35,627)
Sale of investments	708,437
Purchase of investments	<u>(742,549)</u>
Net cash used by investing activities	<u>(69,739)</u>
Net Decrease in Cash and Cash Equivalents	(11,670)
Cash and cash equivalents at beginning of year	<u>186,320</u>
Cash and cash equivalents at end of year	<u><u>\$ 174,650</u></u>

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

CENTRAL SUSQUEHANNA SIGHT SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

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, current liabilities 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, 2019.

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, 2022
(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	\$174,650
Investments for current use	<u>469,516</u>
Total	<u>\$644,166</u>

Subsequent Events

Management has evaluated subsequent events through March 7, 2023, the date on which the statements were available to be issued.

CENTRAL SUSQUEHANNA SIGHT SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2022
(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, 2022 is as follows:

Petty cash	\$ 85
NOW account	18,936
Emergency checking	69,311
Event checking	61,242
Cash – Money Market	100
Cash – Susq Trust MM	<u>24,976</u>
	<u>\$ 174,650</u>

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

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 SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2022
(Continued)

Note 4 - INVESTMENTS (Continued)

Investments at December 31, 2022 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, 2022

	Level 1	Level 2	Level 3
Equity Investments	\$ 99,762	\$ -	\$ -
Mutual Funds	369,754	-	-
Total Assets at fair value	<u>\$ 469,516</u>	<u>\$ -</u>	<u>\$ -</u>
		<u>Cost</u>	<u>Market</u>
118.544 shares Ariel FD		\$ 8,911	\$ 7,391
1265.011 shares Blackrock Inc.		12,498	12,233
1761.935 shares DFA Intermediate Government Fixed Income Fund		19,955	19,064
550.507 shares DFA International Core Equity Fund		8,063	7,437
268.22 shares DFA US Small Cap Portfolio CL Instl		11,614	10,383
6318.08 shares Dodge & Cox Income Fund		90,887	77,071
6303.309 shares Doubleline T/R Bond Fund		63,983	55,343
452.323 shares Eaton Vance Atlanta Capital		16,528	15,610
185.473 shares FPA Crescent		6,471	6,186
1117.803 shares Goldman SACHS GQG Partners Intl Opp. Fund		20,308	18,567
509.874 shares GQG Partners Emerging Markets Equity Fund		7,290	6,439
561.481 shares Hartford Dividend & Growth		18,064	16,317
104 shares Invesco		15,363	14,690
188 shares iShares 20+ Year Treasury Bond		24,283	18,717
50 shares iShares Core S&P 500		20,141	19,210
28 shares iShares Core S&P Mid-Cap		6,855	6,773
551.795 shares JohCM International Select FD CL Instl		13,294	11,041
1025.037 shares Loomis Syles Growth		22,630	16,708
2954.383 shares Muzinich Credit Opportunities		29,911	28,067
523.889 shares Neuberger Berman Long Short		8,953	8,162
876.897 shares Neuberger Berman Real Estate		14,782	10,917
572.004 shares Parametric Dividend Income Fund Class I		9,295	9,192
1855.236 shares Pimco Investment Grade Fund		11,697	9,072
303.767 shares T. Rowe Price QM US Sm-Cap Growth Equity Fd		12,052	10,611
455.235 shares Touchstone Large Cap		7,806	7,093
523.687 shares Vaneck Emerging Markets		7,478	6,850
104 shares Vanguard Dividend Appreciation Index		16,170	15,792
277 shares Vanguard International Dividend Appreciation Index		21,935	19,288
96 shares Vanguard Russell 1000 Growth		5,353	5,292
Totals		<u>\$ 532,570</u>	<u>\$ 469,516</u>

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

CENTRAL SUSQUEHANNA SIGHT SERVICES
NOTES TO FINANCIAL STATEMENTS
December 31, 2022
(Continued)

NOTE 5 - LINE OF CREDIT

The Line of Credit as of December 31, 2022 is as follows:

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

\$ 0