



RANDLE & ASSOCIATES, LLC
Certified Public Accountants

VETERANS FOR PEACE, INC.

REVIEWED

FINANCIAL STATEMENTS

Years Ended December 31, 2020 and 2019

VETERANS FOR PEACE, INC.

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Veterans For Peace, Inc.
St. Louis, Missouri

We have reviewed the accompanying financial statements of Veterans For Peace, Inc. (a Non-Profit Organization), which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statements of activities, cash flows and functional expenses for the years 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 the Organization's 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 assurances 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.

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.

Emphasis of Matter

As discussed in note 1, the financial statements referred to above include only the activities of the national headquarters located in St. Louis, Missouri and do not include the activities of any other independent chapter and at-large member. Accordingly, the accompanying financial statements are not intended to present the financial position of any other independent chapter or at-large member as of December 31, 2020 and 2019, or its results of operations for the years then ended.

Randle & Associates, LLC, CPAs

Florissant, Missouri
November 9, 2021

VETERANS FOR PEACE, INC.

STATEMENT OF FINANCIAL POSITION December 31, 2020 and 2019

SEE ACCOUNTANT'S REVIEW REPORT

	<u>2020</u>	<u>2019</u>
ASSETS		
Current Assets:		
Cash and equivalents	\$ 239,311	\$ 209,361
Inventories	14,898	14,898
	<hr/>	<hr/>
Total current assets	254,209	224,259
Furniture and equipment, net	<hr/> 927	<hr/> 1,173
Total assets	<u><u>\$ 255,136</u></u>	<u><u>\$ 225,432</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 26,400	\$ -
Accrued expenses	1,952	2,761
	<hr/>	<hr/>
Total current liabilities	28,352	2,761
Long - term Liabilities		
Loan - SBA Paycheck Protection Program	50,500	-
	<hr/>	<hr/>
Total liabilities	78,852	2,761
Net Assets:		
Without donor restrictions	79,002	106,301
With donor restrictions	97,282	116,370
	<hr/>	<hr/>
Total net assets	176,284	222,671
Total Liabilities and Net Assets	<u><u>\$ 255,136</u></u>	<u><u>\$ 225,432</u></u>

The accompanying notes are an integral part of these financial statements

VETERANS FOR PEACE, INC.

STATEMENT OF ACTIVITIES Years Ended December 31, 2020 and 2019

SEE ACCOUNTANT'S REVIEW REPORT

	2020			2019 (Comparative Total)
	Without Donor Restrictions	With Donor Restrictions	Total	
Support:				
Contributions and bequests	\$ 259,927	\$ 49,593	\$ 309,520	\$ 262,280
Other income	-	-	-	-
Revenues:				
Member dues	131,780	-	131,780	132,345
Sales of educational and promotional items	25,594	-	25,594	32,866
Project management fees	7,249	-	7,249	2,867
Convention revenue	53,696	-	53,696	55,769
Fiscal sponsor	10,813	-	10,813	8,525
Interest income	455	-	455	1,731
Gain (loss) on disposal of assets	1,812	-	1,812	1,210
Total	<u>491,326</u>	<u>49,593</u>	<u>540,919</u>	<u>497,593</u>
Net assets released from restrictions	<u>68,681</u>	<u>(68,681)</u>	<u>-</u>	<u>-</u>
Total support and revenues	<u>560,007</u>	<u>(19,088)</u>	<u>540,919</u>	<u>497,593</u>
Expenses:				
Program services	343,835	-	343,835	420,082
Fundraising and special events	109,319	-	109,319	104,834
General and administrative	134,152	-	134,152	128,900
Total expenses	<u>587,306</u>	<u>-</u>	<u>587,306</u>	<u>653,816</u>
Increase (Decrease) in Net Assets	(27,299)	(19,088)	(46,387)	(156,223)
Net Assets, Beginning of Year	106,301	116,370	222,671	378,894
Adjustment - reclassifications	-	-	-	-
Net Assets, Beginning of Year, as restated	<u>106,301</u>	<u>116,370</u>	<u>222,671</u>	<u>378,894</u>
Net Assets, End of Year	<u>\$ 79,002</u>	<u>\$ 97,282</u>	<u>\$ 176,284</u>	<u>\$ 222,671</u>

The accompanying notes are an integral part of these financial statements

VETERANS FOR PEACE, INC.

STATEMENT OF CASH FLOWS Years Ended December 31, 2020 and 2019

SEE ACCOUNTANT'S REVIEW REPORT

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities:		
Increase (Decrease) in net assets	\$ (46,387)	\$ (156,223)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	245	245
(Increase) decrease in assets		
Inventories	-	1,940
Prepaid expenses	-	1,062
Increase (decrease) in liabilities:		
Accounts payable	26,400	(1,435)
Accrued expenses	(808)	(3,876)
Net cash provided (used) by operating activities	<u>(20,550)</u>	<u>(158,287)</u>
Cash Flows from Financing Activities:		
Proceeds for long-term debt	<u>50,500</u>	<u>-</u>
	50,500	-
Net Increase (Decrease) in Cash	29,950	(158,287)
Cash and equivalents - Beginning of Year	<u>209,361</u>	<u>367,648</u>
Cash and equivalents - End of Year	<u><u>\$ 239,311</u></u>	<u><u>\$ 209,361</u></u>
Supplemental Disclosures		
Interest paid	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements

VETERANS FOR PEACE, INC.

STATEMENT OF FUNCTIONAL EXPENSES Years Ended December 31, 2020 and 2019

SEE ACCOUNTANT'S REVIEW REPORT

	Program Services	Support Services		2020 Total	2019 Comparative Total
		Fundraising	General and Administrative		
Salaries	\$ 141,016	\$ 60,062	\$ 60,062	\$ 261,141	\$ 224,578
Payroll tax expense	11,621	4,950	4,950	21,520	17,998
Total personnel costs	152,637	65,012	65,012	282,661	242,576
Project expenditures	68,380	-	-	68,380	67,255
Educational and promotional items	15,157	-	-	15,157	27,213
Convention expenses	5,168	-	-	5,168	78,259
Advertising and marketing	0	-	-	-	3,402
Bank and processing charges	9,116	-	678	9,794	10,060
Computer services	45,775	6,826	2,730	55,331	36,368
Contracted services	0	-	14,828	14,828	15,360
Depreciation	-	-	245	245	245
Donations	360	-	-	360	1,000
Dues and subscriptions	-	-	160	160	140
Entertainment and meals	0	-	-	-	887
Fiscal sponsor	12,527	-	-	12,527	8,250
Fundraising	-	17,590	-	17,590	22,230
Insurance	806	-	21,278	22,084	22,470
Interest	-	-	-	-	-
Professional fees	-	-	8,243	8,243	11,833
Miscellaneous	-	-	4,182	4,182	2,329
Moving expense	-	-	813	813	-
Office expense	2,295	918	1,377	4,589	4,889
Postage and mailing	-	9,229	3,076	12,305	10,879
Printing	9,659	15	29	9,702	11,145
Professional development	40	-	-	40	105
Rent	5,175	2,338	3,506	11,019	12,100
Telephone	2,847	905	1,508	5,260	6,031
Travel	12,268	5,923	5,923	24,114	55,002
Utilities	1,626	564	564	2,754	3,788
	<u>\$ 343,835</u>	<u>\$ 109,319</u>	<u>\$ 134,152</u>	<u>\$ 587,306</u>	<u>\$ 653,816</u>

The accompanying notes are an integral part of these financial statements

VETERANS FOR PEACE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Activities

Veterans For Peace, Inc. (the Organization) has independent chapters and at-large members located throughout the United States and Puerto Rico. These financial statements reflect only the activities of the national headquarters located in St. Louis, Missouri and do not purport to include any activity of other independent chapters or at-large members.

The national headquarters located in St. Louis, Missouri of the Veterans For Peace, Inc. was incorporated in 1985 under the non-profit statutes of the State of Maine. Its purpose is to promote alternatives to war by addressing the issues of national and international policies through peaceful and non-violent means.

The Organization's principal sources of revenue are from the collection of members' dues, charitable contributions and sales of educational and promotional items. It also earns fees for administering funds for various projects sponsored by member chapters.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect significant receivables, payables, and other liabilities.

Financial Statement Presentation

The Organization's financial statement presentation follows the requirements of the Financial Accounting Standards Board. Accordingly, the Organization reports its financial position and activities in two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions generally consist of resources available for the various programs and supporting activities of the Organization which have not been restricted by the donor. This class of net assets also includes resources that have been designated by the Organization's governing board for specified purposes.

Net assets with donor restrictions consist of resources that are to be used for specified purposes according to donor-imposed restrictions. These restrictions may expire either by the passage of time or by actions taken by the Organization which fulfill the restriction. This class of net assets also includes resources with perpetual restrictions, and the income from such assets is available for either general operations or specific purposes in accordance with donor stipulations.

VETERANS FOR PEACE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Cash and Cash Equivalents

For the purpose of the statements of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

The Organization's cash and cash equivalents consist of demand accounts, cash management funds and money market accounts. Cash and cash equivalents are stated at fair value. Earnings on the cash and equivalents are reflected in the statement of activities.

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Organization reports gifts of cash, grants and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is when a stipulated time restriction ends or a purpose restriction is fulfilled, temporarily restricted net assets, are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Inventories

Inventories consist of books, videos and promotional items purchased for resale. Inventories are valued at average cost. No effort is made to determine whether cost exceeds market value.

Fixed Assets

Fixed assets are stated at cost, if purchased, and fair value at the time of donation, if donated. According to the Organization's capitalization policy, all fixed assets purchased or donated exceeding \$500 are capitalized. Maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful life of the assets ranging from 3 to 10 years.

Functional Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that relate directly to a specific program or support service are allocated according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical methods.

Estimates

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

VETERANS FOR PEACE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Income Tax Status

Veterans For Peace, Inc. is tax-exempt under Section 501c (3) of the Internal Revenue Service Code. As such, the Organization is only taxed on income from any activities unrelated to its charitable purpose. The Organization did not have any unrelated business income for 2020 or 2019; therefore, the statements do not include any provision for income taxes. Additionally, the Organization qualifies for charitable contribution deductions under Section 170(b) (1) (A).

The Organization has adopted the standards for accounting for uncertainty in income taxes and management is not aware of any uncertain tax provisions of the Organization related to the tax filings.

The Organization continually evaluates the effects of all tax positions taken including expiring statutes of limitations, tax examinations, unrelated business income and new authoritative rulings. The Organization files federal information returns (Form 990). The statutes of limitations for information returns filed for the years ended December 31, 2017 through 2020, have not expired and therefore are subject to examination.

Reclassifications

The accompanying information from the 2019 financial statements has been restated to conform to the 2020 presentation and disclosure requirements of ASU 2016-14. These reclassifications have no effect on the total previously reported net assets.

Comparative Financial Statements

These financial statements include summarized comparative prior-year information in the statements of activities and statements of functional expenses. That information does not contain sufficient detail to conform with generally accepted accounting principles. Therefore, this information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019.

Evaluation of Subsequent Events

The Organization has evaluated subsequent events through November 9, 2021, the date which the financial statements were available to be issued.

NOTE 2 – Concentration of Credit Risk

The Organization maintains cash deposits in bank accounts insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. The Organization's cash deposit accounts, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

VETERANS FOR PEACE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 3 – Furniture and Equipment

Furniture and equipment, consists of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Office furniture and fixtures	\$ 2,465	\$ 2,465
Computer equipment	<u>6,464</u>	<u>6,464</u>
Total	8,929	8,929
Less: accumulated depreciation	<u>(8,001)</u>	<u>(7,756)</u>
Fixed assets, net	<u>\$ 928</u>	<u>\$ 1,173</u>

Depreciation charged to expense was \$245 for both the years ended December 31, 2020 and 2019.

NOTE 4 – Note Payable - Paycheck Protection Program

The Organization has a loan that is part of the Paycheck Protection Program (PPP) established under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and administered by the U.S. Small Business Administration (SBA) in the amount of \$50,500. In accordance with the requirements of the CARES Act, the Organization expects to use the proceeds from the loan exclusively for qualified expenses under the PPP, including payroll costs and utility costs, as further detailed in the CARES Act and applicable guidance issued by the SBA. The Organization considers the PPP loan to be debt, subject to the provisions of GASB Statement No 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees.

The loan will remain recorded as a liability until either (1) the loan is, in part or wholly, forgiven and the Organization has been legally released or (2) the Organization pays off the loan to the creditor. Once the loan is, in part or wholly, forgiven and legal release is received, the Organization will reduce the liability by the amount forgiven and record an inflow of resources.

VETERANS FOR PEACE, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 4 – Donor Restrictions on Net Assets

Net assets with donor restrictions relate to unexpended contributions restricted for projects managed by the Organization’s national headquarters. Net assets with donor restrictions are for the use in the following purposes:

	<u>2020</u>	<u>2019</u>
Communications	\$ -	\$ 5
Courage To Resist	10,065	-
David Cline Memorial Fund	2,112	2,112
Delegation Fund	-	9,578
Deported Vets Chapter 176	4,891	5,354
Golden Rule	215	-
International Veterans Program	39,342	44,929
Iraq Water Project	5,746	3,462
Korean Peace Campaign	1,392	1,292
National Campaign to End Korean War	148	148
Peace in Our Times	1,357	2,797
Save our VA	804	50
Travel Outreach	-	7,604
Zinn Fund – Chapters’ Portion	1,390	3,346
Zinn Fund for Peace and Justice	<u>29,820</u>	<u>35,693</u>
	<u>\$ 97,282</u>	<u>\$ 116,370</u>

NOTE 5 – Liquidity and Availability of Financial Assets

The Organization has financial assets available within 1 year of the balance sheet date to meet operating needs for general expenses consisting of cash and equivalents of \$239,311 and \$209,361 for the years ending December 31, 2020 and 2019, respectively. The cash and equivalents consist of checking and savings accounts and short-term investments that can be converted to cash on demand. Of the total resources available, \$97,282 and \$116,370 is subjected to donor restrictions at December 31, 2020 and 2019, respectively. The Organization is establishing a goal to maintain financial assets on hand to meet 90 – days of normal operating expenses, which amounts to approximately \$150,000.

VETERANS FOR PEACE, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 6 – Operating Lease Commitments

The Organization entered into an operating lease for the location of its administrative office on December 11, 2014. The original lease term was for one year, with the option for annual extensions. The Organization executed extensions on the lease through December 31, 2019 at monthly rentals ranging from \$1,100 on a month to month basis through July 2020. During July 2020, the Organization relocated its administrative office to a smaller location under a month to month rental. Payments made pursuant to the office space lease are reported as rent in the statement of functional expenses and totaled \$11,019 and \$12,100 for the years ended December 31, 2020 and 2019, respectively.

NOTE 7 – Subsequent Events

The date to which events occurring after December 31, 2019 have been evaluated for possible adjustment to the financial statements or disclosure is November 9, 2021, which is the date on which the financial statements were available to be issued.

Based on the evaluation, management has determined that there are no additional matters that would require an adjustment to the financial statements or additional disclosures.