



Virginia Community Action Partnership, Inc.

Financial Statements

June 30, 2023 and 2022

**Meadows Urquhart Acree & Cook, LLP**  
Certified Public Accountants

1802 Bayberry Court  
Suite 102  
Henrico, VA 23226

p 804 249 5786  
f 804 249 5781  
[www.muacllp.com](http://www.muacllp.com)

**Contents**

---

Independent Auditor’s Report ..... 1 - 2

Financial Statements

    Statements of Financial Position ..... 3

    Statements of Activities and Changes in Net Assets..... 4

    Statements of Cash Flows ..... 5

    Statement of Functional Expenses for the Year Ended June 30, 2023 ..... 6

    Statement of Functional Expenses for the Year Ended June 30, 2022 ..... 7

Notes to Financial Statements ..... 8 - 14

- Kelli P. Meadows
- Douglas A. Urquhart
- David C. Acree
- Shannon W. Cook

## **Independent Auditor's Report**

To the Board of Directors  
Virginia Community Action Partnership, Inc.  
Richmond, Virginia

### **Opinion**

We have audited the accompanying financial statements of the Virginia Community Action Partnership, Inc. which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and changes in net assets, functional expenses and cash flows 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 financial position of Virginia Community Action Partnership, Inc. as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **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 Virginia Community Action Partnership, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Virginia Community Action Partnership, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **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 Virginia Community Action Partnership, Inc.'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 Virginia Community Action Partnership, Inc.'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.

#### **Prior Period Financial Statements**

The financial statements of Virginia Community Action Partnership, Inc. as of June 30, 2022 were audited by other auditors whose report dated October 27, 2022 expressed an unmodified opinion on those statements.

*Meadow Urgulant Arce + Cook, LLP*

Henrico, Virginia  
October 23, 2023

Virginia Community Action Partnership, Inc.

Statements of Financial Position  
June 30, 2023 and 2022

	2023	2022
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 328,305	\$ 242,109
Accounts receivables	51,787	43,262
Investments	909,134	817,902
Deposits and prepaids	5,886	2,420
<b>Total current assets</b>	<u>1,295,112</u>	<u>1,105,693</u>
Fixed Assets		
Equipment	23,817	23,557
Accumulated depreciation	(20,000)	(18,658)
<b>Total fixed assets</b>	<u>3,817</u>	<u>4,899</u>
Operating lease right of use asset, net	<u>16,266</u>	<u>39,606</u>
<b>Total assets</b>	<u><u>\$ 1,315,195</u></u>	<u><u>\$ 1,150,198</u></u>
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable	\$ -	\$ 551
Deferred revenue	10,000	-
Payroll liabilities	15,626	7,957
Other liabilities	31,510	13,212
Accrued expenses	5,981	31
Operating lease liability	16,696	22,912
<b>Total current liabilities</b>	<u>79,813</u>	<u>44,663</u>
Operating lease liability, long term	<u>-</u>	<u>16,694</u>
<b>Total liabilities</b>	<u>79,813</u>	<u>61,357</u>
Net assets without donor restrictions	<u>1,235,382</u>	<u>1,088,841</u>
<b>Total liabilities and net assets</b>	<u><u>\$ 1,315,195</u></u>	<u><u>\$ 1,150,198</u></u>

See Accompanying Notes to Financial Statements and Independent Auditor's Report.

Virginia Community Action Partnership, Inc.

Statements of Activities and Changes in Net Assets  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>Revenue and support</b>		
Earned income tax credit revenue	\$ 238,725	\$ 238,725
Government grants	214,039	145,191
Membership and conference revenue	210,422	184,424
Training revenue	200,000	-
Sponsorship revenue	139,000	-
Investment return	100,249	(99,795)
Legislative revenue	49,002	49,002
Special membership assessment	-	130,725
Miscellaneous revenue	-	1,102
<b>Total revenue and support</b>	<b>1,151,437</b>	<b>649,374</b>
<b>Expenses</b>		
Program services	863,930	615,642
Management and general	93,234	64,153
Legislative	47,732	47,256
<b>Total expenses</b>	<b>1,004,896</b>	<b>727,051</b>
<b>Change in net assets</b>	<b>146,541</b>	<b>(77,677)</b>
Net assets, beginning of year	1,088,841	1,166,518
Net assets, end of year	<u>\$ 1,235,382</u>	<u>\$ 1,088,841</u>

See Accompanying Notes to Financial Statements and Independent Auditor's Report.

Virginia Community Action Partnership, Inc.

Statements of Cash Flows  
Years Ended June 30, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities		
Change in net assets	\$ 146,541	\$ (77,677)
Adjustments to reconcile the change in net assets to net cash provided by (used in) operating activities:		
Depreciation	1,553	1,501
Unrealized and realized net (gain) loss on investments	(78,695)	112,907
Decrease (increase) in:		
Accounts receivables	(8,525)	(26,300)
Investments	-	68
Deposits and prepaids	(3,466)	-
Operating lease right of use asset, net	23,340	20,358
Increase (decrease) in:		
Accounts payable	(551)	551
Deferred revenue	10,000	-
Payroll liabilities	7,669	2,190
Other liabilities	18,298	(9,617)
Accrued expenses	5,950	(130,725)
Operating lease liability	(22,910)	(20,358)
<b>Net cash provided by (used in) operating activities</b>	<u>99,204</u>	<u>(127,102)</u>
Cash Flows From Investing Activities		
Net purchases of investments	(12,537)	(4,677)
Purchase of fixed assets	(471)	(1,725)
<b>Net cash used in investing activities</b>	<u>(13,008)</u>	<u>(6,402)</u>
Net change in cash	86,196	(133,504)
Cash and cash equivalents, beginning of year	<u>242,109</u>	<u>375,613</u>
Cash and cash equivalents, of year	<u>\$ 328,305</u>	<u>\$ 242,109</u>
Supplemental Disclosure of Cash Flow Information:		
Cash payments for:		
Amounts included in the measurement of operating lease liability	<u>\$ 25,044</u>	<u>\$ 24,315</u>
Noncash transactions		
Right of use asset acquired through operating lease	<u>\$ -</u>	<u>\$ 62,039</u>

See Accompanying Notes to Financial Statements and Independent Auditor's Report.

Virginia Community Action Partnership, Inc.

Statement of Functional Expenses  
Year Ended June 30, 2023

	Program Services		Supporting Services		Total
	Membership	Projects	Management and General	Legislative	
Salaries	\$ 127,158	\$ 184,676	\$ 5,710	\$ -	\$ 317,544
Payroll tax and fringe benefits	33,374	50,532	1,256	-	85,162
Total payroll expenses	160,532	235,208	6,966	-	402,706
Grant disbursements	-	206,600	-	-	206,600
Training	6,007	145,087	-	-	151,094
Professional fees	14,532	2,474	43,950	-	60,956
State Legislative expense	-	-	-	47,449	47,449
Occupancy	17,671	-	16,944	-	34,615
Conference expense	30,266	1,095	-	-	31,361
Membership	15,875	-	-	-	15,875
Travel	5,419	7,412	135	228	13,194
Subscriptions	3,274	694	6,614	-	10,582
Miscellaneous	8,506	13	948	55	9,522
Investment expense	-	-	8,232	-	8,232
Office supplies	1,067	1,334	5,752	-	8,153
Bank fees	622	-	1,564	-	2,186
Depreciation	-	-	1,553	-	1,553
Insurance	-	-	576	-	576
Equipment	69	173	-	-	242
Total expenses	\$ 263,840	\$ 600,090	\$ 93,234	\$ 47,732	\$ 1,004,896

See Accompanying Notes to Financial Statements and Independent Auditor's Report.



Virginia Community Action Partnership, Inc.

Statement of Functional Expenses  
Year Ended June 30, 2022

	Program Services		Supporting Services		Total
	Membership	Projects	Management and General	Legislative	
Salaries	\$ 63,697	\$ 140,001	\$ 9,002	\$ -	\$ 212,700
Payroll tax and fringe benefits	36,571	19,496	18,371	-	74,438
Total payroll expenses	100,268	159,497	27,373	-	287,138
Grant disbursements	-	185,725	-	-	185,725
Training	-	73,366	192	-	73,558
Professional fees	36,400	10,895	6,085	-	53,380
State Legislative expense	-	-	-	47,256	47,256
Occupancy	16,993	2,000	16,993	-	35,986
Membership	12,750	-	-	-	12,750
Investment expense	9,448	-	-	-	9,448
Subscriptions	1,990	775	3,566	-	6,331
Equipment	-	-	2,474	-	2,474
Conference expense	-	2,403	-	-	2,403
Supplies	-	-	2,360	-	2,360
Travel	410	1,284	402	-	2,096
Miscellaneous	814	-	960	-	1,774
Insurance	-	550	1,113	-	1,663
Depreciation	-	-	1,501	-	1,501
Bank fees	29	-	1,134	-	1,163
Office expense	-	45	-	-	45
Total expenses	\$ 179,102	\$ 436,540	\$ 64,153	\$ 47,256	\$ 727,051

See Accompanying Notes to Financial Statements and Independent Auditor's Report.

## Virginia Community Action Partnership, Inc

### Notes to Financial Statements

---

#### Note 1—Organization and Business

Virginia Community Action Partnership, Inc. (VACAP) is a tax-exempt not-for-profit organization. VACAP acts as the statewide organization for Virginia's thirty-one non-profit and public Community Action Agencies. VACAP's primary purpose is to assist community action agencies in providing programs to assist needy individuals and their families to combat poverty and build self-sufficiency. VACAP serves its members with state and federal legislative representation and advocacy, member training and education, public relations and marketing, resource development, facilitating collaboration, and statewide efforts to increase public awareness of Virginians in poverty and strategies to improve their lives and their communities. These programs are generally funded by grants from federal, state, and local agencies.

#### Note 2—Summary of Significant Accounting Policies

Method of accounting: The financial statements of VACAP have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. VACAP is required to report information regarding its financial position and activities according to two classes of net assets: without donor restriction and with donor restriction.

Without donor restriction: Assets available at the discretion of the Board of Directors for use in operations and those resources invested in property and equipment.

With donor restriction: Assets stipulated by donors or grantors for specific program purposes. When a donor restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Restricted revenue whose restrictions are met in the same year is reflected as unrestricted revenue.

Leases: VACAP recognizes leases in accordance with ASC Topic 842, *Leases*, and subsequently issued additional related ASUs ("ASC 842, *Leases*"), which was adopted through a cumulative effect adjustment on July 1, 2021. The adoption of FASB ASC 842, *Leases*, did not have a material effect on net assets as of July 1, 2021.

VACAP enters into leasing arrangements in the ordinary course of business as a lessee of office space.

VACAP determines whether an arrangement is a lease at inception. Right of use (ROU) lease assets represent VACAP's right to use an underlying asset for the lease term, and lease liabilities represent VACAP's obligation to make lease payments arising from the lease. Other than for leases with an initial term of twelve months or less, operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most leases do not provide an implicit rate, VACAP uses an incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives prior to the lease commencement date. Lease terms may include options to extend or terminate the lease when it is reasonably certain that VACAP will exercise that option.

## Virginia Community Action Partnership, Inc

### Notes to Financial Statements

---

#### Note 2—Summary of Significant Accounting Policies (continued)

Income taxes: VACAP is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. VACAP has determined that it does not have any material unrecognized tax benefits or obligations as of June 30, 2023 or 2022.

Cash and cash equivalents: For purposes of reporting cash flows, VACAP considers cash equivalents to include certificates of deposit and other highly liquid debt instruments purchased with an original maturity of three months or less.

Fixed assets: Property and equipment are stated at cost at the date of acquisition. Donated property and equipment are stated at fair market value at the date of donation. Depreciation is computed by the straight-line method over the estimated useful lives of the assets, ranging from 3 to 15 years. Maintenance and repairs are charged to expense as incurred. Major renovations and improvements are capitalized. Depreciation totaled \$1,553 and \$1,501 for the years ended June 30, 2023 and 2022, respectively.

Grant receivable and revenue recognition: VACAP records revenue from all significant grants and contracts as costs are incurred to give recognition to the performance requirements of the various agreements. Grants receivables consist of amounts which have been incurred but not reimbursed by the respective grantor. VACAP receives a substantial portion of its operating capital funds from grants and awards.

Funding received in advance of satisfying performance obligations are recorded as deferred revenue.

Contributions and program support: Contributions, including unconditional pledges, are recognized as revenues in the period received. Conditional pledges are not recognized until the conditions on which they depend are substantially met. Other pledges are restricted by time constraints and revenue is recognized after the noted amount of time has passed. Gifts of securities are recorded at their fair market value when received.

Functional expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The statement contains certain categories of expense that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include professional fees, occupancy and office, as well as salaries and benefits, and are primarily allocated based on time and effort reports.

Valuation of investments, at fair value: Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

In determining fair value, VACAP uses various valuation approaches. A fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of VACAP. Unobservable inputs reflect assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that VACAP has the ability to access. Since valuations are based on quoted prices that are readily and regularly

## Virginia Community Action Partnership, Inc

### Notes to Financial Statements

---

#### Note 2—Summary of Significant Accounting Policies (continued)

available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Use of estimates: The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Paid leave time: All regular employees accrue leave time based on years of employment. In years of employment 0-5, employees accrue thirty days of leave time per year; in employment years 6-10 employees accrue thirty-five days of leave time per year; after 10 years employees accrue forty days of leave time per year. Employees can continue to accrue an additional week of leave time per five years of employment. At separation and VACAP's discretion, an employee may use all of their current accrued and unused leave time as terminal leave. Upon separation, employees will receive a pay-out of accrued but unused leave of no more than thirty days.

New accounting pronouncement: In June 2016, FASB issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement for Credit Losses on Financial Instruments*, which requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. ASU 2016-13 also requires additional disclosures regarding significant estimates and judgments used in estimating credit losses, as well as the credit quality and underwriting standards of an entity's portfolio. The requirements of this statement are effective for VACAP for the year ended June 30, 2024. VACAP is currently evaluating the impact of this statement.

Reclassification: Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

## Virginia Community Action Partnership, Inc

### Notes to Financial Statements

---

#### Note 3—Liquidity and Availability of Resources

The following represents VACAP's financial assets as of June 30, 2023 and 2022:

	2023	2022
Cash and cash equivalents	\$ 328,305	\$ 242,109
Accounts receivable	51,787	43,262
Investments	909,134	817,902
Total financial assets	<u>1,289,226</u>	<u>1,103,273</u>
Financial assets available to management for general expenditures within one year	<u>\$ 1,289,226</u>	<u>\$ 1,103,273</u>

VACAP manages its liquidity by completing annual operating budgets that provide sufficient funds for general expenditures in meeting liabilities and other obligations as they become due. VACAP's cash and cash equivalents are available within one year of the statement of financial position date to meet cash needs for general expenditures.

#### Note 4—Lease Commitments

VACAP leases office space under a non-cancellable operating lease agreement. The lease expires in February 2024 and utilizes an interest rate of 5.25%. Rentals generally include insurance, taxes and maintenance costs. Rent expense related to this lease was \$24,845 for the years ended June 30, 2023 and 2022.

ASC 842, *Leases*, requires VACAP to make certain assumptions and judgements in applying the guidance, including determining whether an arrangement includes a lease, determining the term of a lease when the contract has renewal or cancellation provisions, and determining the discount rate.

VACAP determines whether an arrangement is or includes a lease at contract inception by evaluating whether the contract conveys the right to the control the use of an identified asset for a period of time in exchange for consideration. If VACAP has the right to obtain substantially all of the economic benefits from, and can direct the use of, the identified asset for a period of time, VACAP accounts for the identified asset as a lease. VACAP has elected the practical expedient to not separate lease and non-lease components for all leases other than real estate leases. The primary non-lease component that is combined with a lease component is operating expenses such as utilities, maintenance or management fees.

As the rate implicit in the lease is not usually available, VACAP used an incremental borrowing rate (IBR) based on the information available at the adoption date of the new leases standard in determining the present value of lease payments for existing leases. VACAP elected to use a portfolio approach to IBR, applying the U.S. Treasury ten-year long-term rate to the leases. VACAP will use information available at the lease commencement date to determine the discount rate for any new leases.

As of June 30, 2023 and 2022, VACAP does not have any leases that have not yet commenced but that create significant rights and obligations.

## Virginia Community Action Partnership, Inc

### Notes to Financial Statements

---

#### Note 4—Lease Commitments (continued)

Pursuant to the accounting policy election, leases with an initial term of twelve months or less are not recognized on the balance sheet.

Future minimum payments under noncancellable operating leases as of June 30, 2023 are as follows:

<u>Year</u>	
2024	\$ 17,026
Less amount representing interest	330
Total lease obligations	16,696
Current portion	16,696
Long-term portion	<u>\$ -</u>

Pursuant to the accounting policy election, leases with an initial term of twelve months or less are not recognized on the balance sheet. Rent expense associated with these leases was \$3,360 and \$2,409 for the years ended June 30, 2023 and 2022, respectively.

#### Note 5—Fair Market Measurements

Fair Values of assets measured on a recurring basis as of June 30, 2023 and 2022, are as follows:

<u>June 30, 2023</u>	Quoted Market Price Of Assets (Level 1)
Common stock	\$ 440,749
Equity funds	331,591
Government bond funds	79,156
Cash and money market funds	37,587
International equity funds	20,051
	<u>\$ 909,134</u>

## Virginia Community Action Partnership, Inc

### Notes to Financial Statements

---

#### Note 5—Fair Market Measurements (continued)

June 30, 2022	Quoted Market Price Of Assets (Level 1)
Common stock	\$ 339,234
Equity funds	258,090
Taxable bond funds	79,540
Government bond funds	57,489
International equity funds	41,174
Specialty funds	33,352
Cash and money market funds	9,023
	<u>\$ 817,902</u>

VACAP's investments are recorded at fair value using readily available quoted market prices. All of VACAP's investments are categorized as Level 1. VACAP does not have any Level 2 or Level 3 investments.

#### Note 6—Investments

Investments are reported in the statement of financial position at their fair values based on quoted market prices at the measurement date. Unrealized holding gains and losses, realized gains and losses, dividends and interest are reported as investment return on the statement of activities. Cash and cash equivalents in the investment account are not considered cash equivalents and are included as investments.

Investment return for the years ended June 30, 2023 and 2022, consists of the following:

	2023	2022
Interest and dividends	\$ 20,769	\$ 13,112
Realized gains	3,404	27,406
Unrealized gain (loss)	76,076	(140,313)
	<u>\$ 100,249</u>	<u>\$ (99,795)</u>

Investment fees for the years ended June 30, 2023 and 2022, were \$8,232 and \$9,448, respectively.

#### Note 7—Federal Grant

VACAP received Federal grants for the years ended June 30, 2023 and 2022, in the amount of \$358,407 and \$353,916, respectively.

## Virginia Community Action Partnership, Inc

### Notes to Financial Statements

---

#### Note 8—Accrued Compensated Absences

As mentioned in Note 2, employees accrue paid time off. The accrued paid time off for the years ending June 30, 2023 and 2022, is as follows:

	<u>Beginning</u>	<u>Earned</u>	<u>Used</u>	<u>Ending</u>
2022	\$ 22,829	\$ 28,374	\$ (37,991)	\$ 13,212
2023	13,212	45,527	(27,229)	31,510

#### Note 9—Concentration of Credit Risk

Financial instruments that potentially subject VACAP to concentration of credit risk consist principally of cash. Checking and money market account balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per financial institution. At times, accounts may exceed the FDIC limits.

#### Note 10—Retirement

VACAP has adopted an employee retirement plan under section 403(b) of the Internal Revenue Code. The plan provides for salary reduction contributions by eligible participants. VACAP's contribution to the plan for the years ended June 30, 2023 and 2022, was \$14,827 and \$11,008, respectively.

#### Note 11—Subsequent Events

In preparing these financial statements, VACAP has evaluated events and transactions for potential recognition or disclosure through October 23, 2023, the date the financial statements were available to be issued.