

QUALITY OF LIFE FOUNDATION, INC
Financial Statements
For the Fiscal Year Ended
October 31, 2023

JOHN S. GRAY

Certified Public Accountant P.C.

12510-A Lake Ridge Drive
Lake Ridge, Virginia 22192
(703) 497-0430 • Fax (703) 497-9038
E-MAIL: john@johngraycpa.com
Twitter: @johngraycpa



INDEPENDENT AUDITOR'S REPORT

February 24, 2024

To the Board of Directors
Quality of Life Foundation, Inc.
Woodbridge, Virginia

Opinion

I have audited the accompanying financial statements of the Quality of Life Foundation, Inc. (a nonprofit organization) which comprise the statement of financial position as of October 31, 2023, and the related statement of activities, functional expense and cash flows to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of October 31, 2023 in accordance with accounting principles in the United States of America.

Basis of Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. My responsibilities under those standards are further described on the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Foundation and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal controls 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 the Foundations ability to continue as a going concern within one year after the date of that the financial statements are available to be issued.

Auditors Responsibilities for the Audit of the Financial Statements

My 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 my 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 of one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, 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 judgement made by a reasonable user based on the financial statements.

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

Exercise professional judgement and maintain professional skepticism throughout the audit.

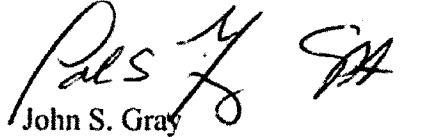
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not of the purpose of expressing an opinion on the effectiveness of the Foundation'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 my judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing, significant audit finding, and certain internal control-related matters that I identified during the audit.


John S. Gray
Certified Public Accountant, PC

QUALITY OF LIFE FOUNDATION, INC.
Statement of Financial Position
As of October 31, 2023

ASSETS	<u>2023</u>
<u>Current Assets:</u>	
Cash and Cash Equivalents	\$ <u>129,144</u>
Total Current Assets	\$ 129,144
<u>Fixed Assets</u>	
Computers	3,807
(Less: Accumulated depreciation)	<u>(3,807)</u>
Net Fixed Assets	<u>-0-</u>
TOTAL ASSETS	\$ <u>129,144</u>
 LIABILITIES AND FUND BALANCE	
Payroll Liabilities	\$ 10,749
Credit Cards Payable	<u>812</u>
Current Liabilities	11,561
Total Liabilities	\$ <u>11,561</u>
Fund Balance (Note 1)	
Unrestricted	<u>117,583</u>
Total Fund Balances	<u>117,583</u>
TOTAL LIABILITIES & FUND BALANCE	\$ <u>129,144</u>

The accompanying notes are an integral part
Of these Financial Statements

QUALITY OF LIFE FOUNDATION, INC.
Statement of Activities and Changes in Fund Balance
For the Year Ended
October 31, 2023

RECEIPTS	<u>2023</u>
Indirect Public Support	\$ 181,272
Direct Public Support	37,421
Interest Income	<u>8</u>
Total Support & Receipts	\$ <u>218,701</u>
EXPENDITURES	
Program Services	\$ 304,596
General & Administrative	34,819
Fundraising	<u>735</u>
Total Expenditures	\$ <u>340,150</u>
EXCESS OF EXPENDITURES OVER RECEIPTS	\$(121,449)
FUND BALANCE BEGINNING OF YEAR	<u>239,032</u>
FUND BALANCES – END OF YEAR	\$ <u>117,583</u>

The accompanying notes are an integral part
Of these Financial Statements

QUALITY OF LIFE FOUNDATION, INC.
Statement of Cash Flows
For the Year ended October 31, 2023

2023

Cash (Used) by Operating Activities

Net Change in assets	\$ (121,449)
Adjustments to reconcile change in net assets to Net cash provided/ (used) by operating activities:	
Changes in assets and liabilities:	
Decrease in Payroll Liabilities Payable	(753)
Increase In Credit Cards Payable	986
Net Cash (Used) by Operating Activities	\$ (121,216)
Net Cash (Used)/Provided by Investing Activities	-0-
Net Cash (Used)/Provided by Financing Activities	-0-
Net (Decrease) in Cash and Cash Equivalents	\$ (121,216)
Cash and Cash Equivalents – Beginning of Year	<u>250,360</u>
Cash and Cash Equivalents – End of Year	\$ <u>129,144</u>

The accompanying notes are an integral part
Of these Financial Statements

QUALITY OF LIFE FOUNDATION INC.

Statement of Functional Expense
For the Year Ended October 31, 2023

	Program Services	General and Administrative	Fundraising	Total
Assistance to Individuals	\$ <u>7,412</u>	\$ -0-	\$ -0-	\$ <u>7,412</u>
Salaries	\$221,036	\$ 21,861	\$ -0-	\$ 242,897
Payroll Taxes	<u>17,522</u>	<u>1,733</u>	-0-	<u>19,255</u>
Total Payroll Expenses	\$ <u>238,558</u>	\$ <u>23,594</u>	\$ <u>-0-</u>	\$ <u>262,152</u>
Independent Contractor	\$ 40,000	-0-	-0-	\$ 40,000
Professional Fundraising	-0-	-0-	735	735
Telephone	4,313	427	-0-	4,740
Payroll Service	-0-	5,467	-0-	5,467
Accounting & bookkeeping	-0-	525	-0-	525
Information Technology	<u>2,185</u>	<u>216</u>	<u>-0-</u>	<u>2,401</u>
Total Fees for Services	<u>46,498</u>	<u>6,635</u>	<u>735</u>	<u>53,868</u>
Conferences & Convention	1,559	-0-	-0-	1,559
Insurances	-0-	4,155	-0-	4,155
Travel	8,703	-0-	-0-	8,703
Office Expenses	1,866	185	-0-	2,051
Taxes	<u>-0-</u>	<u>250</u>	<u>-0-</u>	<u>250</u>
	<u>12,128</u>	<u>4,590</u>	<u>-0-</u>	<u>16,718</u>
Total Expenses	\$ <u>304,596</u>	\$ <u>34,819</u>	\$ <u>735</u>	\$ <u>340,150</u>

The accompanying notes are an integral part
Of these Financial Statements

QUALITY OF LIFE FOUNDATION, INC.

Notes to the Financial Statements

For the Year Ended

October 31, 2023

ORGANIZATION:

The Quality of Life Foundation Inc was organized under the laws of the Commonwealth of Virginia as a not-for-profit corporation on November 28, 2007. The Quality of Life Foundation was founded to make positive differences in peoples' lives that will continue far into the future. The Foundation focuses on initiatives that improve the quality of life of those struck by misfortune by providing support services that help them build better lives in spite of those struggles.

The Quality of Life Foundation began their first initiative in February 2008, the Wounded Warrior Family Care Project. This project began with a study of family support needs and resources unique to severely wounded warriors and an analysis regarding the sufficiency of existing resources to meet those needs. The Foundation has now implemented a program titled *Wounded Veteran Family Care Program* to fill an identified gap between resources and needs for those families that exist after the severely wounded veterans are discharged to home-based care and family members assume a substantial level of care giving for the veteran.

1. SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES:

Fund Accounting: Assets, liabilities, revenues and expenses are recorded on the accrual basis of accounting. To ensure observation of limitations and restrictions placed on the use of resources to the organization, the accounts are maintained in accordance with the principles of fund accounting, whereby procedures for the recordation for various transactions are established according to the transactions' nature and purpose. Accordingly, all financial transactions are or will be recorded into two funds: **The Operating Fund** which represents the funds expendable to support the operations of the organization and the **Furniture & Equipment Fund and Depreciation**. Fixed assets when and if acquired will be stated at cost less accumulated depreciation. Depreciation will be provided on a straight-line basis over a three to five year estimated useful life basis.

Statement of Cash Flows: The Foundation considers all demand deposits and investments without a fixed maturity date to be cash equivalents for purposes of the statement of cash flows.

Allowance for Doubtful Accounts: No provision for doubtful accounts has been established as the Foundation considers all accounts receivable as fully collectible.

Cash Concentration: The Foundation maintains accounts with federally insured financial institutions. Deposits have not exceeded federally insured limits.

- 2. Income Taxes:** The Quality of Life Foundation, Inc. operates as a non-profit organization and has received tax exempt status under Section 501 (c) (3) of the Internal Revenue Code of 1986 as amended. Neither the Commonwealth of Virginia nor the County of Prince William imposes an income tax on the corporation. The corporation has not incurred any income tax liability under section 511 of the Internal Revenue Code of 1986 for Unrelated Business Income for any prior fiscal year ended October 31st.

QUALITY OF LIFE FOUNDATION, INC.

Notes to the Financial Statements

For the Year Ended

October 31, 2023

3. FUND BALANCE

The general fund provides for the normal operations of the Foundation. Funds are being used to perform normal operations of the entity and are being accumulated based on estimates. Actual expenditures may vary from estimated future expenditures and the variations may be material; therefore, amounts accumulated in the unrestricted reserve may or may not be adequate to meet all future needs. If additional funds are needed the entity may delay asset replacement, or delay hiring of additional staff or reduce staff.

4. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities of the Foundation have been summarized into three functions on the statement of receipts and expenditures. Costs have been allocated among programs, supporting services and fundraising based on time spent.