

**AMERICAN VOLKSSPORT ASSOCIATION, INC.**

*FINANCIAL REPORT AND  
SUPPLEMENTARY INFORMATION*

*FOR THE YEAR ENDED*

*DECEMBER 31, 2021*



**AMERICA'S  
WALKING CLUB**

— ESTABLISHED 1976 —

## TABLE OF CONTENTS

INDEPENDENT AUDITOR’S REPORT .....	1
STATEMENT OF FINANCIAL POSITION.....	3
STATEMENT OF ACTIVITIES .....	4
STATEMENT OF FUNCTIONAL EXPENSES .....	5
STATEMENT OF CASH FLOWS .....	6
NOTES TO FINANCIAL STATEMENTS.....	7
SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES.....	15
SCHEDULE OF EXPENSES.....	16



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
American Volkssport Association, Inc.  
San Antonio, Texas

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of American Volkssport Association, Inc., which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of American Volkssport Association, Inc. as of December 31, 2021, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of American Volkssport Association, Inc. 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.

#### ***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 American Volkssport Association, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

## *Auditor's Responsibilities for the Audit of the Financial Statements*

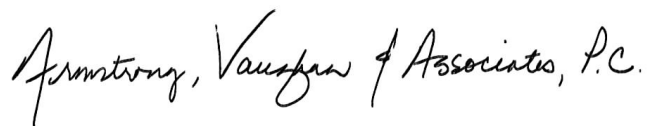
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 American Volkssport Association, 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 American Volkssport Association, 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information shown in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.



Armstrong, Vaughan & Associates, P.C.

November 4, 2022

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2021

**ASSETS**

*Current Assets:*

Cash and Cash Equivalents	\$ 121,427
Investments	449,968
Accounts Receivable	13,354
Prepaid Expenses	21,989
Inventory	7,658
Accrued Participation Year Round Events	25,000
<i>Total Current Assets</i>	639,396

*Noncurrent Assets:*

Property and Equipment (Net)	3,634
<i>Total Noncurrent Assets</i>	3,634

<b>TOTAL ASSETS</b>	<b>\$ 643,030</b>
---------------------	-------------------

**LIABILITIES AND NET ASSETS**

*Current Liabilities:*

Accounts Payable	\$ 15,683
Accrued Wages	17,798
Deferred Revenues - Participation Fees	35,140
Deferred Revenues - Memberships	35,685
<i>Total Current Liabilities</i>	104,306

*Net Assets:*

Without Donor Restrictions	538,724
<i>Total Net Assets</i>	538,724

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 643,030</b>
---	-------------------

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

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2021

	<b><u>Without Donor Restrictions</u></b>
<b>REVENUES, GAINS AND SUPPORT</b>	
<i>Revenues and Support:</i>	
Events	\$ 218,492
Membership Income	45,958
Program Income	13,936
Convention Income	114,640
Donations	114,405
Paycheck Protection Program Loan	50,700
Grant & Sponsorships	21,564
Merchandise, Net of Cost	19,472
Miscellaneous	3,200
Interest Income	3,715
<i>Total Revenues and Support</i>	<u>606,082</u>
 <i>Investment Earnings:</i>	
Investment Income	<u>(4,663)</u>
<i>Total Investment Earnings</i>	<u>(4,663)</u>
 <b>TOTAL REVENUES, GAINS AND SUPPORT</b>	
	<u>601,419</u>
 <b>EXPENSES</b>	
Program	441,310
Membership	39,385
Support Service	
Fund Development	52,036
Administrative	76,885
<b>TOTAL EXPENSES</b>	<u>609,616</u>
 <b>CHANGE IN NET ASSETS</b>	 (8,197)
 <b>BEGINNING NET ASSETS</b>	 527,539
Prior Period Adjustments	19,382
<b>ENDING NET ASSETS</b>	<u><u>\$ 538,724</u></u>

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

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED DECEMBER 31, 2021

FUNCTIONAL EXPENSES	Fund				Total
	Program	Membership	Development	Administrative	
Awards & Events	\$ 36,131	\$ 4,731	\$ 7,476	\$ -	\$ 48,338
Convention	117,474	-	-	-	117,474
Insurance	17,288	-	-	4,188	21,476
National Office Operations	1,682	-	-	935	2,617
Payroll Expenses	189,963	11,392	36,780	41,287	279,422
Other	27	-	-	2,319	2,346
Professional Services	5,801	-	-	4,751	10,552
Bank Credit Card & Services	1,630	-	-	4,892	6,522
Equipment Repairs & Maintenance	485	-	-	590	1,075
Depreciation	749	749	749	749	2,996
Rent	43,026	6,146	6,146	6,146	61,464
Admin	315	-	-	5,850	6,165
Supplies	1,059	-	-	2,189	3,248
Telephone & Utilities	6,198	885	885	885	8,853
Travel	15,302	-	-	2,065	17,367
Printing	4,180	15,482	-	39	19,701
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 441,310</b>	<b>\$ 39,385</b>	<b>\$ 52,036</b>	<b>\$ 76,885</b>	<b>\$ 609,616</b>

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

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2021

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Changes in Net Assets	\$ (8,197)
Adjustments to Reconcile Excess (Deficiency) of Revenues Over (Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation	2,996
(Increase) Decrease in Current Assets:	
Accounts Receivable	(5,909)
Prepaid Expenses	8,885
Inventory	(2,221)
Accrued Others	2,298
Increase (Decrease) in Liabilities:	
Accounts Payable	1,020
Accrued Payroll	(682)
Deferred Revenues	8,668
<b>NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES</b>	<u>6,858</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of Investments	(55,417)
Proceeds From Redemption of Investments	<u>56,484</u>
<b>NET CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES</b>	<u>1,067</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Principal Payments on Capital Lease Obligations	<u>(223)</u>
<b>NET CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES</b>	<u>(223)</u>
 <b>NET INCREASE (DECREASE) IN CASH</b>	 7,702
 <b>CASH &amp; CASH EQUIVALENTS</b>	
<b>AT BEGINNING OF YEAR</b>	<u>113,725</u>
<b>CASH &amp; CASH EQUIVALENTS AT END OF YEAR</b>	<u><u>\$ 121,427</u></u>
 <b>SUPPLEMENTAL INFORMATION:</b>	
Interest Paid	\$ -

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



AMERICAN VOLKSSPORT ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

NOTE 1 -- ORDER AND PURPOSE

American Volkssport Association, Inc. (the Association) is a nonprofit, voluntary membership corporation, organized under the laws of the State of Texas, exclusively for charitable and educational purposes. The Association is committed to the promotion of public health, physical fitness, and the well-being of the people of the United States by organizing, promoting, and conducting scheduled programs of noncompetitive, family-oriented, participatory lifetime sports including, but not limited to, walking, bicycling, swimming, cross-country skiing, and such other events as may be sanctioned by the International Federation of Popular Sports (IVV). Revenue from member club-sanctioned events is included in these financial statements, while individual member club activities are not included.

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Basis of Presentation*

The accompanying financial statements of the American Volkssport Association, Inc. have been prepared on the accrual basis of accounting in accordance with U. S. generally accepted accounting principles. Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in the general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.

*Net Assets With Donor Restrictions* – Net assets subject to donor-imposed stipulations that will be met by actions of the Center and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Net assets with donor restrictions that are received and expended in the same year are recorded as net assets without donor restrictions.

B. *Fiscal Year*

The Association has a fiscal year beginning on January 1 and ending on December 31.

C. *Income Taxes*

The Association is exempt from state and federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Additionally, the Association has been further classified as an organization that is not a private foundation under Section 509(a)(2) which allows the donors of property, services or money to take the maximum charitable donation allowed by law.

The most significant tax positions of the Association is its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business income tax (UBIT). All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. The Association's tax filings are open to Internal Revenue Service audit for the years ending December 31, 2020, 2019, and 2018.

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
DECEMBER 31, 2021

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

D. *Cash and Cash Equivalents*

Cash and cash equivalents include interest-bearing checking, savings accounts, and money market funds. Certificates of deposit with an original maturity of three months or less are also included as cash equivalents on the statement of financial position and statement of cash flows.

E. *Investments*

The Association's financial instruments consist primarily of cash and cash equivalents and debt securities. The carrying amount of the cash and cash equivalents approximate their fair market value due to the short-term nature of such instruments (Level 1).

The carrying value of debt securities is the fair market value based upon quoted prices (Level 1).

The Association uses the following hierarchical disclosure framework:

Level 1 - Measurement based upon quoted prices for identical assets in an active market as of the reporting date.

Level 2 - Measurement based upon marketplace inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Measurement based on assumptions about hypothetical marketplace because observable market inputs are not available as of the reporting date.

The Association uses appropriate valuation techniques based on available inputs to measure the fair value of its assets and liabilities. When available, the Association measures fair market value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs have the lowest priority. All of the Association's investments are according to the fair value hierarchy at level 1.

F. *Accounts Receivable*

Accounts receivable consists of membership dues, sanction fees, participation fees, merchandise sales, and subscription fees that have not yet been received. Accounts receivables are stated at the amount management expects to collect from outstanding balances. Management uses the direct write-off method to provide for probable uncollectible amounts. The difference between the allowance method (GAAP) and direct write off method is trivial.

G. *Prepaid Expenses*

Expenses recorded in advance of the service or product being received are deferred and carried on the statement of financial position as prepaid expenses.

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONT.)  
 DECEMBER 31, 2021

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

H. *Inventory*

The Association maintains an inventory of t-shirts, patches, stickers, and stamps to provide to member clubs for use in conducting and promoting Volkssporting events. Inventory is reported on the statement of financial position using the first-in, first-out method of valuation.

I. *Accrued Participation Year Round Events*

The Association estimates December 2021 events participation fees reported by clubs in January and part of February of 2022. The accrued participation for year round events reported on the statement of financial position is \$25,000.

J. *Property and Equipment*

It is the Association's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Property and equipment is stated at cost at date of acquisition or fair value at date of donation in the case of gifts. Property and equipment are depreciated using the straight-line method.

K. *Depreciation*

Depreciation on the property and equipment owned by the Association has been computed using the straight-line method. The estimated useful lives of the assets are as follows:

	Years
Computer & Electronics	3
Furniture	8 to 10
Office Equipment	5

L. *Compensated Absences*

Employees of American Volkssport Association, Inc. are entitled to two to three personal days and paid time off depending on length of service ranging from 40 hours to 160 hours annually. Employees are allowed to carryover accrued but unused personal time and paid time off at the rate of one year's worth of time. Employees also accrue 48 hours of sick pay annually and may carryover 96 hours at year end. Upon termination, only unused earned vacation time is paid out to an employee. Compensated absences are reported on the statement of financial position as Accrued Vacation.

M. *Deferred Revenue – Online Start Box (OSB) Participation Fees*

Online Start Box is the account that each participant contributes to his or her own event bank as they register and pay for walk events online. The account balance is the deferred revenue that the Association has not earned. The ending balance as of December 31, 2021 is \$35,140.

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
DECEMBER 31, 2021

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

N. *Deferred Revenue*

Lifetime Membership dues have been included in deferred revenue in the accompanying Statement of Financial Position and are recognized over a five year period.

O. *Donated Services and In-Kind Support*

The Association may receive services, supplies and equipment without payment or compensation. When the value of such services meets recognition criteria, it is reflected in the accompanying financial statements as revenues and expenditures in a like amount. In-kind contributions are measured and recorded at fair value on the date of donation. Equipment and other non-cash donations are recorded as contributions at cost or estimated fair value determined at the date of the donation. There were no in-kind contributions made in 2021.

P. *Revenue Recognition*

Membership dues are recognized as revenue in the applicable membership year. Sanction fees are recognized quarterly. Participation fees are recognized when the related event is held. Sales of merchandise are recognized at the time of sale.

Q. *Estimates*

The preparation of financial statements in accordance 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.

R. *Functional Expense Allocations*

Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification. Other costs have been allocated on the basis of estimates by management among the programs and supporting services, based primarily on the nature of the expense.

S. *Subsequent Events*

Subsequent events were considered through November 4, 2022, which is the date the financial statements were available to be issued.

NOTE 3 -- CREDIT RISK OF FINANCIAL INSTRUMENTS

The Association's cash and cash equivalents are held in four financial institutions and cash balances of up to \$250,000 in each financial institution are secured by the Federal Deposit Insurance Corporation (FDIC). All cash balances held in the financial institutions were fully secured.

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONT.)  
 DECEMBER 31, 2021

NOTE 4 -- INVESTMENTS

As of December 31, 2021, the Association's investment portfolio consists of the following:

	Cost	Fair Value	Accumulated Gain (Loss)
Certificates of Deposit	\$ 56,958	\$ 57,570	\$ 612
Money Market	269,496	269,595	99
Municiple Bonds	55,119	54,434	(686)
Corporate Bonds	70,000	68,370	(1,630)
	\$ 451,573	\$ 449,968	\$ (1,605)

NOTE 5 -- PROPERTY AND EQUIPMENT

Property and equipment for each year ended is comprised of the following:

Computer & Electronics	\$ 32,755
Office Equipment	12,376
Furniture	22,477
Less: Accumulated Depreciation	(63,974)
Net Property and Equipment	\$ 3,634

NOTE 6 -- LINE OF CREDIT

The Association has a \$72,802 line of credit available with their investment broker. The Association is charged a variable interest rate, currently at 5.25%, on outstanding loan balances. The loan balance is due on demand with no scheduled payments. If the value of the investments declines, the Association may be required to deposit cash or additional securities, or the securities in the account may be sold to meet the margin call. Any draws on the line of credit are collateralized by the investments. There were no outstanding amounts on the line of credit as of December 31, 2021.

NOTE 7 -- PAYCHECK PROTECTION PROGRAM

The Association received a forgivable loan through the Small Business Association's Paycheck Protection Program for \$50,700 to be used on payroll, rent and utilities. Management has elected to treat the program as a conditional grant and recognized the revenue as conditions were met. The loan has been forgiven in full as of December 31, 2021 and all of the revenue was recognized in 2021.

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
DECEMBER 31, 2021

NOTE 8 -- OPERATING LEASES

The Association leases office space in San Antonio, Texas under terms of a two year, non-cancelable operating lease. The lease was renewed on February 1, 2021, and will run through December 31, 2022. There was an extension for a period of 11 months with the monthly rent in the amount of \$4,000 till December 31, 2023.

The Association leases a copier machine with DOCUmentation. The term of the lease began on September 23, 2020 with a term length of 63 months. The monthly payment for the copier machine is \$805.

The Association leases a postage meter with Neopost USA. The term of the lease began on April 9, 2018 with a term length of 36 months and the monthly payment for the meter is \$271.

Future minimum lease commitments required under these leases as of December 31, 2021 are as follows:

For the Fiscal Year Ended June 30	Minimum Lease
2022	\$ 58,510
2023	60,710
2024	12,369
2025	9,660
	<u>\$ 141,250</u>

NOTE 9 -- LITIGATION

The management of the Association is unaware of any pending or threatened litigation.

NOTE 10 -- PRIOR PERIOD ADJUSTMENT

The financial statements for the fiscal year ended December 31, 2020 have been restated to reflect the results of a prior period adjustment as follows:

	Without Donor Restrictions
Beginning Fund Balance, As Previously Recorded	\$ 527,539
Overstated Receivables	(1,542)
Overstated Payables	589
Overstated Payroll Liabilities	20,335
Beginning Fund Balance, Restated	<u>\$ 546,921</u>

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS (CONT.)  
DECEMBER 31, 2021

NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

American Volkssport Association had normal operating expenses of approximately \$50,550 per month in 2021, given the programmatic expenses excluding depreciation and gifts. The organization has \$551,268 to meet cash needs in the next year for general expenditures. This is approximately 11 months of operating expenses.

Cash and Cash Equivalents	\$ 121,427
Investments	449,968
Accounts Receivable	13,354
Accounts Payable	(15,683)
Accrued Wages	<u>(17,798)</u>
Total Financial Asssets Available to	
Meet Cash for General Expenditures	<u>\$ 551,268</u>

The Association has a \$72,802 line of credit available with their investment broker which would also be available if necessary.

## SUPPLEMENTARY INFORMATION

Supplementary information includes schedules not required by GAAP, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such schedules include:

- Schedules of Revenues
- Schedules of Expenses



AMERICAN VOLKSSPORT ASSOCIATION, INC.  
SCHEDULE OF REVENUES  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<b>2021</b>	2020		
	<u>Audited</u>	<u>Unaudited</u>	<u>Change</u>	<u>Percentage</u>
<b>REVENUES, GAINS AND SUPPORT EVENTS</b>				
Sanction and Participation Fees:				
Year-Round/Seasonal	<b>\$102,672</b>	\$ 32,589	\$ 70,083	215.05%
Traditional	<b>35,225</b>	147,981	(112,756)	-76.20%
Other Events	<b>80,595</b>	4,254	76,341	1794.57%
<b>TOTAL EVENTS</b>	<b>218,492</b>	184,824	33,668	18.22%
<b>MEMBERSHIP INCOME</b>				
Club Annual Dues	<b>15,100</b>	10,650	4,450	41.78%
Charter Fees	<b>50</b>	100	(50)	-50.00%
Volkssport Associate Dues	<b>30,808</b>	26,748	4,060	15.18%
<b>TOTAL MEMBERSHIP INCOME</b>	<b>45,958</b>	37,498	8,460	22.56%
<b>PROGRAM INCOME</b>				
National Program	<b>2,625</b>	4,607	(1,982)	-43.02%
Special Program	<b>325</b>	567	(242)	-42.68%
Online Program	<b>10,986</b>	11,668	(682)	-5.85%
<b>TOTAL PROGRAM INCOME</b>	<b>13,936</b>	16,842	(2,906)	-17.25%
<b>CONVENTION INCOME</b>	<b>114,640</b>	2,640	112,000	4242.42%
<b>DONATIONS</b>	<b>114,405</b>	112,919	1,486	1.32%
<b>PAYCHECK PROTECTION PROGRAM</b>	<b>50,700</b>	50,700	-	0.00%
<b>GRANTS &amp; SPONSORSHIPS</b>				
Grants	<b>8,402</b>	-	8,402	
Sponsorships	<b>13,162</b>	1,500	11,662	777.47%
<b>TOTAL GRANTS &amp; SPONSORSHIPS</b>	<b>21,564</b>	1,500	20,064	1337.60%
<b>MERCHANDISE</b>				
Merchandise Income	<b>30,806</b>	32,282	(1,476)	-4.57%
Cost of Goods Sold	<b>(11,334)</b>	(15,572)	4,238	-27.22%
<b>MERCHANDISE, NET OF COST</b>	<b>19,472</b>	16,710	2,762	16.53%
<b>MISCELLANEOUS</b>	<b>3,200</b>	4,146	(946)	-22.82%
<b>INTEREST INCOME</b>	<b>3,715</b>	10,034	(6,319)	-62.98%
<b>INVESTMENT INCOME</b>	<b>(4,663)</b>	-	(4,663)	
<b>TOTAL REVENUES, GAINS</b>				

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
SCHEDULE OF EXPENSES  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<b>2021</b>	2020		
	<b>Audited</b>	Unaudited	Change	Percentage
<b>SALARIES AND BENEFITS</b>				
Salaries and Wages	<b>\$227,644</b>	\$ 244,901	\$ (17,257)	-7.05%
Employee Benefits	<b>33,665</b>	43,260	(9,595)	-22.18%
Payroll Taxes	<b>18,113</b>	19,097	(984)	-5.15%
<b>TOTAL SALARIES AND BENEFITS</b>	<b><u>279,422</u></b>	<u>307,258</u>	<u>(27,836)</u>	<u>-9.06%</u>
<b>ADMINISTRATIVE EXPENSES</b>				
Moving Expenses	<b>2,000</b>	7,470	(5,470)	-73.23%
Naitonal Offices Operation	<b>2,617</b>	152	2,465	1621.71%
Others	<b>6,552</b>	4,399	2,153	48.94%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b><u>11,169</u></b>	<u>12,021</u>	<u>(852)</u>	<u>-7.09%</u>
<b>AWARDS AND EVENTS</b>				
Big Give Expenses	<b>7,475</b>	1,225	6,250	510.20%
Award Program	<b>9,916</b>	5,257	4,659	88.62%
Membership Program	<b>3,091</b>	1,989	1,102	55.40%
Event Program	<b>2,793</b>	2,266	527	23.26%
Other Programs	<b>25,063</b>	54,079	(29,016)	-53.65%
<b>TOTAL AWARDS AND EVENTS</b>	<b><u>48,338</u></b>	<u>64,816</u>	<u>(16,478)</u>	<u>-25.42%</u>
<b>BANK AND CREDIT CARD FEES</b>	<b>6,522</b>	3,662	2,860	78.10%
<b>CONVENTION</b>	<b>117,474</b>	2,132	115,342	5410.04%
<b>DEPRECIATION</b>	<b>2,996</b>	6,000	(3,004)	-50.07%
<b>EQUIPMENT MAINTENANCE</b>	<b>\$ 1,075</b>	\$ 641	\$ 434	67.71%

AMERICAN VOLKSSPORT ASSOCIATION, INC.  
SCHEDULE OF EXPENSES (CONT.)  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<b>2021</b>	2020		
	<u><b>Audited</b></u>	<u>Unaudited</u>	<u>Change</u>	<u>Percentage</u>
<b>INSURANCE</b>				
Event	<b>\$ 17,288</b>	\$ 26,700	\$ (9,412)	-35.25%
National Headquarters	<b>4,188</b>	2,781	1,407	50.59%
<b>TOTAL INSURANCE</b>	<u><b>21,476</b></u>	<u>29,481</u>	<u>(8,005)</u>	<u>-27.15%</u>
<b>PROFESSIONAL</b>				
Legal	<b>890</b>	5,185	(4,295)	-82.84%
Others	<b>9,662</b>	4,756	4,906	103.15%
<b>TOTAL PROFESSIONAL</b>	<u><b>10,552</b></u>	<u>9,941</u>	<u>611</u>	<u>6.15%</u>
<b>PROMOTIONS</b>				
TAW Printing and Publishing	<b>19,660</b>	22,474	(2,814)	-12.52%
<b>TOTAL PROMOTIONS</b>	<u><b>19,660</b></u>	<u>22,474</u>	<u>(2,814)</u>	<u>-12.52%</u>
<b>RENT</b>	<b>61,464</b>	51,398	10,066	19.58%
<b>SUPPLIES</b>	<b>3,248</b>	1,677	1,571	93.68%
<b>TELEPHONE</b>	<b>8,853</b>	4,667	4,186	89.69%
<b>TRAVEL</b>	<b>17,367</b>	558	16,809	3012.37%
<b>TOTAL EXPENSES</b>	<u><b>\$609,616</b></u>	<u>\$ 516,726</u>	<u>\$ 92,890</u>	<u>17.98%</u>



**AMERICA'S  
WALKING CLUB**

— ESTABLISHED 1976 —