SENIOR CENTER, INCORPORATED

CHARLOTTESVILLE, VIRGINIA

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS
SENIOR CENTER, INCORPORATED
CHARLOTTESVILLE, VIRGINIA

We have audited the accompanying financial statements of the Senior Center, Incorporated (a nonprofit organization), which comprise the statement of financial position as of March 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Senior Center, Incorporated as of March 31, 2019, 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.

Change in Accounting Principle

As described in Note 13 to the financial statements, in 2019, Senior Center, Incorporated adopted new accounting guidance, FASB ASU 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 16 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 relates 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 as a whole.

Report on Summarized Comparative Information

We have previously audited the Senior Center, Incorporated's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 21, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Charlottesville, Virginia
July 17, 2019

- Financial Statements -

SENIOR CENTER, INCORPORATED

Statement of Financial Position
At March 31, 2019
(With Comparative Totals for 2018)

	2019	2018
Assets:		
Cash and cash equivalents	$ 2,830,525	$ 1,246,497
Investments	-	10,118
Contributions receivable, net of allowance of $104,688 and $13,688	5,072,438	787,285
Other receivables	16,808	12,638
Prepaid expenses	4,959	4,548
Beneficial interest in agency fund held by third party	471,370	389,632
Construction in progress	3,530,884	749,485
Property, furniture, and equipment, net of accumulated depreciation of $1,616,796 and $1,550,671	3,423,876	3,476,983
Total assets	$ 15,350,860	$ 6,677,186
Liabilities:		
Accounts payable	$ 687,513	$ 18,838
Payroll liabilities	3,922	1,729
Compensated absences	26,864	24,807
Travel deposits	61,663	21,601
Dues and other items received in advance	106,302	102,288
Total liabilities	$ 886,264	$ 169,263
Net assets:		
Net assets without donor restrictions	$ 6,458,088	$ 3,756,162
Net assets with donor restrictions	8,006,508	2,751,761
Total net assets	$ 14,464,596	$ 6,507,923
Total liabilities and net assets	$ 15,350,860	$ 6,677,186

The accompanying notes to financial statements are an integral part of this statement.

SENIOR CENTER, INCORPORATED

Statement of Activities
Year Ended March 31, 2019
(With Comparative Totals for 2018)

	Without Donor Restrictions	With Donor Restrictions	Totals 2019	Totals 2018
Revenues, gains and other support:				
Contributions	$ 495,543	$ 8,253,503	$ 8,749,046	$ 1,786,205
Dues	203,185	-	203,185	217,128
Program fees	89,156	-	89,156	80,261
Special events - net of direct expenses of $78,378 and $72,717	137,627	-	137,627	113,973
Grants	74,261	106,750	181,011	154,500
Rentals	50,109	-	50,109	52,562
Travel program - net of direct expenses of $267,383 and $246,051	52,814	-	52,814	88,735
Investment returns - net of direct expenses of $0 and $2,761	20,301	-	20,301	49,168
Realized gain on sale of assets	10,980	-	10,980	-
Newsletter	4,225	-	4,225	-
In-kind revenue	64,096	-	64,096	88,557
Miscellaneous	2,044	-	2,044	4,219
Net assets released from restrictions:				
Restrictions satisfied by payments	3,105,506	(3,105,506)	-	-
Total revenues, gains and other support	$ 4,309,847	$ 5,254,747	$ 9,564,594	$ 2,635,308
Expenses:				
Program services:				
Healthy aging	$ 1,085,228	$ -	$ 1,085,228	$ 996,700
Supporting services:				
Management and general	148,777	-	148,777	110,017
Fundraising	373,916	-	373,916	413,128
Total expenses	$ 1,607,921	$ -	$ 1,607,921	$ 1,519,845
Change in net assets	$ 2,701,926	$ 5,254,747	$ 7,956,673	$ 1,115,463
Net assets at beginning of year	$ 3,756,162	$ 2,751,761	$ 6,507,923	$ 5,392,460
Net assets at end of year	$ 6,458,088	$ 8,006,508	$ 14,464,596	$ 6,507,923

The accompanying notes to financial statements are an integral part of this statement.

SENIOR CENTER, INCORPORATED

Statement of Functional Expenses
Year Ended March 31, 2019
(With Comparative Totals for 2018)

	Program Services	Supporting Services		Totals	
	Healthy Aging	Management and General	Fundraising	2019	2018
Salaries and related benefits:					
Salaries	$ 360,629	$ 102,065	$ 217,738	$ 680,432	$ 694,045
Payroll taxes	29,593	8,375	17,868	55,836	54,359
Retirement and life insurance	25,284	7,156	15,266	47,706	68,743
Health, dental and disability insurance	30,500	8,632	18,415	57,547	40,309
Total salaries and related benefits	$ 446,006	$ 126,228	$ 269,287	$ 841,521	$ 857,456
Program expenses	156,485	-	-	156,485	87,086
Bad debt	91,000	-	-	91,000	-
Depreciation	62,818	2,645	661	66,124	64,732
In-kind expenses	24,997	-	39,099	64,096	88,557
Fundraising	-	-	61,886	61,886	64,819
Office expenses	56,327	2,372	593	59,292	38,142
Other	53,731	2,262	566	56,559	33,887
Promotion	37,723	-	-	37,723	28,498
Utilities	26,816	1,129	282	28,227	29,205
Scholarships	27,936	-	-	27,936	34,443
Buildings and grounds maintenance	20,230	852	213	21,295	29,064
Newsletter	20,375	-	-	20,375	16,558
Bookkeeping	17,965	756	189	18,910	19,410
Insurance	13,361	563	141	14,065	14,447
Professional fees	-	10,768	-	10,768	21,245
Café	9,150	-	-	9,150	9,761
Telephone	8,595	362	90	9,047	6,710
Postage	4,722	199	50	4,971	3,407
Staff training/recruitment	3,011	473	817	4,301	2,484
Membership	3,980	168	42	4,190	-
Property taxes	-	-	-	-	19,834
Marketing research and branding	-	-	-	-	50,100
Total expenses	$ 1,085,228	$ 148,777	$ 373,916	$ 1,607,921	$ 1,519,845

The accompanying notes to financial statements are an integral part of this statement.

SENIOR CENTER, INCORPORATED

Statement of Cash Flows
Year Ended March 31, 2019
(With Comparative Totals for 2018)

	2019	2018
Cash flows from operating activities:		
Change in net assets	$ 7,956,673	$ 1,115,463
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation	66,124	64,732
Realized and unrealized (gains) losses	(13,518)	(46,703)
In-kind revenues	(64,096)	(88,557)
In-kind expenses	64,096	88,557
(Increase) decrease in:		
Contributions receivable	(4,285,153)	(460,121)
Other receivables	(4,170)	1,858
Prepaid expenses	(411)	85,377
Increase (decrease) in:		
Accounts payable	668,675	(42,131)
Payroll liabilities	2,193	(9,263)
Compensated absences	2,057	7,623
Travel deposits	40,062	(92,259)
Dues and other items received in advance	4,014	(3,030)
Net cash provided by (used for) operating activities	$ 4,436,546	$ 621,546
Cash flows from investing activities:		
Purchase of property, furniture, and equipment	$ (13,020)	$ (12,977)
Additions to construction in progress	(2,781,396)	(496,110)
Purchase of investments	(58,102)	-
Proceeds from redemption of investments	-	21,675
Net cash provided by (used for) investing activities	$ (2,852,518)	$ (487,412)
Net change in cash and cash equivalents	$ 1,584,028	$ 134,134
Cash and cash equivalents at beginning of year	1,246,497	1,112,363
Cash and cash equivalents at end of year	$ 2,830,525	$ 1,246,497

The accompanying notes to financial statements are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Description and Purpose of Organization:

The Senior Center, Inc. dba The Center is a nonprofit organization which principally serves the population of those age 50 and over in the City of Charlottesville, the County of Albemarle, and the surrounding area. The purpose of the Organization is to positively impact its community by creating opportunities for healthy aging through social engagement, physical well-being, civic involvement, creativity, and lifelong learning.

B. Basis of Accounting:

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

C. Concentrations of Credit Risk:

The Organization maintains its cash and cash equivalent balances at two financial institutions located in Virginia. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000. At March 31, 2019, the Organization had uninsured cash balances in the amount of $2,264,461.

D. Contributions:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires because the contributed resources are spent in accordance with the donor’s instructions or because of passage of time, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization maintains an endowment fund as a component of its unrestricted funds, where special or unanticipated gifts are contributed. The goal of the fund is to provide an adequate reserve and smooth flow of distributions to supplement the Organization’s operating budget. Distribution guidelines permit withdrawals in an amount equal to 4% of the average of the fair market value of the fund on an annual basis.

E. Donated Property and Equipment:

Donations of property and equipment are recorded as contributions at fair value of the date of donation. The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Donations of long-lived assets with explicit restrictions that specify how the assets are to be used and donations of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service as instructed by the donor.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

F. Financial Statement Presentation:

The Organization is required to report information regarding its financial position and activities according to two classes of net assets based on the existence or absence of donor-imposed restrictions: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations. At March 31, 2019 the Organization had net assets without donor restrictions of $6,458,088.

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization 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. At March 31, 2019 the Organization had net assets with donor restrictions of $8,006,508.

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.

G. Contributions Receivable:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. The allowance for uncollectible contributions is estimated based upon historical collection rates and specific identification of uncollectible amounts. Unconditional contributions, net of the allowance of $104,688, totaled $5,072,438 at March 31, 2019. Of this amount, $466,821 is due from members of the board of directors and the executive director.

H. Cash and Cash Equivalents:

Cash and cash equivalents consist of all cash, certificates of deposit and highly liquid investments with original maturities of three months or less from the date of acquisition.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

I. Property, Furniture and Equipment:

Property (which includes the building and improvements), furniture, equipment and land are recorded at cost and, if donated, the estimated fair value at the date of donation. The threshold for capitalization is $2,500. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which are summarized below:

Furniture, fixtures and equipment	5-10 Years
Building	40 Years

Depreciation expense totaled $66,124 for 2019.

J. Contributed Services:

A substantial number of unpaid volunteers have made significant contributions of their time to develop the Organization's program services and administrative functions. The value of this contributed time is reflected in these statements as in-kind revenues and expenses for the year ended March 31, 2019. In addition, many individuals volunteer their time and perform a variety of tasks that are vital to the Organization but do not meet the criteria for financial statement recognition.

K. Rental Income:

Rental income is generated from the lease of certain areas of the Organization’s facilities to individuals, private companies and other organizations on a one-time or short-term basis.

L. Use of 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.

M. Functional Allocation of Expenses:

Certain expenses are allocated among program and supporting services based on direct expenses incurred; others are allocated among program and supporting services based on the time spent in the activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

N. Income Taxes:

The Senior Center, Incorporated, is a non-profit organization exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable State law. Contributions to the Organization are tax deductible within the limitations prescribed by the Code. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code.

O. Compensated Absences:

The Organization's liability for compensated absences of their employees was $26,864. This represents amounts owed to employees under the Organization's paid leave policies.

NOTE 2 - PROPERTY, FURNITURE, AND EQUIPMENT:

Property, furniture, and equipment consisted of the following at March 31, 2019:

	Cost	Accumulated Depreciation	Basis Remaining
Land	$ 2,750,046	$ -	$ 2,750,046
Construction in progress	3,530,884	-	3,530,884
Building	1,948,123	1,300,664	647,459
Computers	123,017	107,788	15,229
Furniture and equipment	219,486	208,344	11,142
Total	$ 8,571,556	$ 1,616,796	$ 6,954,760

NOTE 3 – CONSTRUCTION IN PROGRESS:

The new building at The Center at Belvedere is under construction with an anticipated completion and opening in Spring 2020. The current location and building are under contract to be sold and the organization will move its offices and programs to the new building. The organization besides receiving individual donations, as part of the capital campaign has received grants and contributions from foundations, the City of Charlottesville and County of Albemarle. Preconstruction costs (primarily architects and consultants) and construction costs of $3,530,884 are noted as Construction in Progress.

NOTE 4 - TRAVEL PROGRAM:

The Center Travel Program was established by The Center as a separate service program. This is a self-supporting program; it was not organized to produce a profit, but instead to offer a service to its members and others. The Center staff and volunteers arrange tours and travel activities for groups and individuals. The Travel Fund's equity and net revenues for 2019 have been included in the statement of activities as an unrestricted revenue source.

NOTE 5 - RETIREMENT PLAN:

All eligible employees participate in a defined contribution retirement plan with Principal Financial Group. The Center contributes 10% of each eligible employee's salary to the plan. Each employee may contribute up to 20% of their salary to a separate account. The plan is fully insured. Total payroll for covered employees was $566,769 and total payroll for all employees was $680,433 for 2019. Total employer contributions for the 2018 plan year were $47,706.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS:

These net assets are restricted for specific purposes or until specific events occur. The following schedule summarizes restricted net assets to the following purposes as of March 31, 2019:

Capital Campaign	$	7,860,050
Second Wind Band		865
Matter of Balance		3,697
Financial Wellness Program		119,715
Program Fund		22,181
Total	$	8,006,508

Net assets without donor restrictions include endowment funds in the amount of $405,640, and the Ralph Feil Scholarship Fund in the amount of $65,730. These funds are board designated for specific activities as outlined in the fund guidelines.

NOTE 7 - BENEFICIAL INTEREST IN AGENCY FUND HELD BY THIRD PARTY:

The Center is the beneficiary under a Designated Agency Fund Agreement with Charlottesville Area Community Foundation. The agency fund has been recorded in accordance with generally accepted accounting principles which state that if a community foundation receives assets from a nonprofit organization that specifies itself or its affiliate as the beneficiary, those assets are not considered a contribution to the foundation, regardless of the variance power of the foundation. The assets of the fund are included in the Statement of Financial Position of The Center as a beneficial interest in agency fund held by third party. Distributions are to be paid upon the request of The Center and the approval of the foundation; the latter not withheld without significant cause. In addition, the fund is charged an annual 1.0% administrative fee on the fund balance, to be paid quarterly.

The changes in the agency fund are detailed in Note 8 for year ended March 31, 2019.

NOTE 8 - INVESTMENT RETURNS:

A summary of investment return of the investments held by The Center as of March 31, 2019, follows:

Dividend and interest income	$	6,783
Realized and unrealized gain/(loss)		13,518
Net investment returns	$	20,301

NOTE 9 - BOARD-DESIGNATED ENDOWMENT:

The Center's endowment consists of an individual fund, the Elizabeth A. Seabrook Endowment, established for a variety of purposes. Its endowment is made up solely of funds designated by the Board of Directors to function as endowments. As required by Generally Accepted Accounting Principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. As stated in Note 1(D), The Center had no donor-imposed restrictions on its fund, thereby resulting in its having no net asset with restrictions.

Return Objectives and Risk Parameters:

The Center has adopted investment and spending policies, approved by the Board of Directors, that are intended to provide for reasonable long-term capital growth, while mitigating undue risk to the principal. The policies cover its endowment assets, including those assets that are board-designated funds.

Strategies Employed for Achieving Objectives:

To satisfy its long-term rate-of-return objectives, The Center relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy:

The Center has a spending policy based on the total return concept that governs the rate at which funds are transferred from the Endowment Fund to the operating budget. The spending policy permits withdrawals in an amount equal to 4% of the average of the fair value of the fund.

NOTE 9 - BOARD-DESIGNATED ENDOWMENT: (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy: (Continued)

Composition of and change in endowment net assets for the year ended March 31, 2019, were as follows:

Board-designated endowment net assets, beginning of year	$	389,632
Contributions		65,730
Interest and dividends		3,829
Realized and unrealized gains (losses)		17,107
Administration fees		(4,928)
Board-designated endowment net assets, end of year	$	471,370

NOTE 10 - FAIR VALUE MEASUREMENTS:

Fair value for investments is determined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The three-level fair value hierarchy prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities.

- Level 2 — Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

NOTE 10 - FAIR VALUE MEASUREMENTS: (Continued)

The Center is providing the following information related to its investments:

		Fair Value Measurements at Reporting Date Using		
	Total 3/31/2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial interest in agency fund held by third party	$ 471,370	$ -	$ 471,370	$ -
Total	$ 471,370	$ -	$ 471,370	$ -

The Level 2 assets represent a beneficial interest in amounts invested in Charlottesville Area Community Foundation's (CACF) investment pool. The valuation of this investment is based upon the inputs used by CACF to value the underlying assets.

NOTE 11 - LINE OF CREDIT:

The Center has a revolving line of credit with Virginia National Bank, providing for borrowings up to $100,000, with a variable interest rate (3% at March 31, 2019). The credit line is collateralized by The Center bank accounts held at Virginia National Bank, which totals $122,521 and is renewable annually. The balance as of March 31, 2019 was $0.

NOTE 12 - LIQUIDITY AND AVAILABILITY:

The Organization monitors its liquidity so that it can meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Organization has the following financial assets that could readily be made available within one year of the balance sheet to fund expenses without limitations:

	2019
Cash and cash equivalents	$ 2,830,525
Pledges receivable	5,072,438
Accounts receivable	16,808
Beneficial interest in agency fund held by third party	471,370
Total	$ 8,391,141

NOTE 12 – LIQUIDITY AND AVAILABILITY (CONTINUTED):

In addition to financial assets available to meet general expenditures over the year, the Organization anticipates covering its general expenditures by collecting sufficient donations and other revenues and by utilizing donor-restricted resources from current and prior years' donations, as needed. The statement of cash flows identifies the sources and uses of the Organization's cash and shows positive cash of $4,436,546 for the fiscal year ending March 31, 2019.

NOTE 13 – ADOPTION OF ACCOUNTING PRONOUNCEMENT:

In 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities.* The Organization has changed the presentation of its financial statements, accordingly, applying the changes retrospectively to the beginning net assets. The new ASU changes the following aspects of the Organization's financial statements:

- The temporarily restricted and permanently restricted net asset classes have been reduced to a single net asset class called *net assets with donor restrictions.*
- The unrestricted net asset class has been changed to *net assets without donor restrictions.*
- The financial statements include a new disclosure about liquidity and availability of resources.
- The financial statements include increased disclosures on functional expenses.

Adoption of the ASU did not result in any reclassifications or restatements to net assets.

NOTE 14 – DATE OF MANAGEMENT'S REVIEW:

Management has evaluated events and transactions for potential recognition or disclosure through July 17, 2019, the date the financial statements were available to be issued. There were no subsequent events to be disclosed.

- Supplementary Information -

SENIOR CENTER, INCORPORATED

Schedule of Revenues, Expenses, and Capital Outlays - Operating Fund and Capital Fund
Year Ended March 31, 2019

	Operating	Capital	Total
Revenues, gains and other support:			
Contributions	$ 529,331	$ 8,219,715	$ 8,749,046
Dues	203,185	-	203,185
Program fees	89,156	-	89,156
Special events - net of direct expenses of $78,378	137,627	-	137,627
Grants	181,011	-	181,011
Rentals	50,109	-	50,109
Travel program - net of direct expenses of $246,051 and $71,802	52,814	-	52,814
Investment returns	20,301	-	20,301
Realized gain on sale of assets	10,980	-	10,980
Newsletter	4,225	-	4,225
In-kind revenue	64,096	-	64,096
Miscellaneous	2,044	-	2,044
Total revenues, gains and other support	$ 1,344,879	$ 8,219,715	$ 9,564,594
Salaries and related benefits:			
Salaries	$ 472,919	$ 207,513	$ 680,432
Payroll taxes	55,836	-	55,836
Retirement and life insurance	47,706	-	47,706
Health, dental and disability insurance	57,547	-	57,547
Total salaries and related benefits	$ 634,008	$ 207,513	$ 841,521
Program expenses	156,485	-	156,485
Bad debt	-	91,000	91,000
Depreciation	66,124	-	66,124
In-kind expenses	64,096	-	64,096
Fundraising	55,908	5,978	61,886
Office expenses	50,971	8,321	59,292
Other	40,624	15,935	56,559
Promotion	23,269	14,454	37,723
Utilities	28,227	-	28,227
Scholarships	27,936	-	27,936
Building maintenance and repairs	21,295	-	21,295
Newsletter	20,375	-	20,375
Bookkeeping	18,910	-	18,910
Insurance	14,065	-	14,065
Professional fees	10,768	-	10,768
Café	9,150	-	9,150
Telephone	9,047	-	9,047
Postage	4,882	89	4,971
Staff training/recruitment	4,301	-	4,301
Membership	4,190	-	4,190
Total expenses	$ 1,264,631	$ 343,290	$ 1,607,921
Capitalized costs	$ 16,601	$ 2,781,397	$ 2,797,998
Total expenses and capital outlay	$ 1,281,232	$ 3,124,687	$ 4,405,919