

# **One Stop Senior Services**

Financial Statements

June 30, 2017 and 2016



**BAKER TILLY**

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# One Stop Senior Services

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Table of Contents

June 30, 2017 and 2016

	<u>Page</u>
<b>Independent Auditors' Report</b>	1
<b>Financial Statements</b>	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7

## **Independent Auditors' Report**

Board of Directors  
One Stop Senior Services

### **Report on the Financial Statements**

We have audited the accompanying financial statements of One Stop Senior Services, which comprise the statement of financial position as of June 30, 2017 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 the June 30, 2017 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 the 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 auditor's 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 One Stop Senior Services as of June 30, 2017, 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.

## **Other Matters**

### **Prior Period Financial Statements**

The financial statements of One Stop Senior Services as of and for the year ended June 30, 2016 were audited by other auditors and, in their report dated December 15, 2016, they expressed an unmodified opinion on those financial statements.

*Baker Tilly Virchow Krause, LLP*

New York, New York  
December 7, 2017

# One Stop Senior Services

## Statements of Financial Position

June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
Cash	\$ 38,473	\$ 25,018
Investments, at fair value	52,409	96,460
Contributions receivable	517	503
Due from affiliate	-	6,305
Security deposits	24,435	24,435
Cash held for representative payees	<u>2,401</u>	<u>2,005</u>
Total assets	<u><u>\$ 118,235</u></u>	<u><u>\$ 154,726</u></u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 47,227	\$ 44,674
Due to affiliate	3,375	-
Due to representative payees	<u>2,401</u>	<u>2,005</u>
Total liabilities	<u>53,003</u>	<u>46,679</u>
<b>Net Assets</b>		
Unrestricted	65,232	73,047
Temporarily restricted	<u>-</u>	<u>35,000</u>
Total net assets	<u>65,232</u>	<u>108,047</u>
Total liabilities and net assets	<u><u>\$ 118,235</u></u>	<u><u>\$ 154,726</u></u>

See notes to financial statements

## One Stop Senior Services

### Statements of Activities

Years Ended June 30, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and Revenues</b>						
Private support Contributions	\$ 188,939	\$ 6,408	\$ 195,347	\$ 65,649	\$ 61,408	\$ 127,057
Total private support	188,939	6,408	195,347	65,649	61,408	127,057
<b>Revenues</b>						
Investment income (loss), net	16,832	-	16,832	(3,866)	-	(3,866)
Rental income	111,465	-	111,465	104,664	-	104,664
Total revenues	128,297	-	128,297	100,798	-	100,798
Net assets released from restrictions	41,408	(41,408)	-	56,218	(56,218)	-
Total support and revenues	358,644	(35,000)	323,644	222,665	5,190	227,855
<b>Expenses</b>						
Program services	337,332	-	337,332	391,741	-	391,741
Management and general	29,127	-	29,127	38,005	-	38,005
Total expenses	366,459	-	366,459	429,746	-	429,746
Changes in net assets	(7,815)	(35,000)	(42,815)	(207,081)	5,190	(201,891)
<b>Net Assets, Beginning of Year</b>	73,047	35,000	108,047	280,128	29,810	309,938
<b>Net Assets, End of Year</b>	\$ 65,232	\$ -	\$ 65,232	\$ 73,047	\$ 35,000	\$ 108,047

See notes to financial statements

## One Stop Senior Services

Statements of Functional Expenses  
Years Ended June 30, 2017 and 2016

	Program Services		Management and General		Total	
	2017	2016	2017	2016	2017	2016
Professional and consulting services	\$ 169,321	\$ 230,088	\$ 28,744	\$ 34,529	\$ 198,065	\$ 264,617
Occupancy	150,471	143,340	-	-	150,471	143,340
Communication	9,770	9,803	-	-	9,770	9,803
Client assistance and emergency grants	6,732	8,510	-	-	6,732	8,510
Miscellaneous	1,038	-	383	1,416	1,421	1,416
Total expenses before depreciation	337,332	391,741	29,127	35,945	366,459	427,686
Depreciation	-	-	-	2,060	-	2,060
Total functional expenses	<u>\$ 337,332</u>	<u>\$ 391,741</u>	<u>\$ 29,127</u>	<u>\$ 38,005</u>	<u>\$ 366,459</u>	<u>\$ 429,746</u>

See notes to financial statements

# One Stop Senior Services

## Statements of Cash Flows

Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<b>Cash Flows from Operating Activities</b>		
Changes in net assets	\$ (42,815)	\$ (201,891)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation	-	2,060
Realized gains on investments	-	(59)
Unrealized (gains) losses on investments	(8,690)	32,694
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Contributions receivable	(14)	44,533
Due from affiliate	6,305	(6,305)
Cash held for representative payees	(396)	646
Increase (decrease) in:		
Accounts payable and accrued expenses	2,553	(8,023)
Due to affiliate	3,375	(8,217)
Due to representative payees	396	(646)
Net cash used in operating activities	<u>(39,286)</u>	<u>(145,208)</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	(7,259)	(27,444)
Proceeds from sales of investments	<u>60,000</u>	<u>139,398</u>
Net cash provided by investing activities	<u>52,741</u>	<u>111,954</u>
Net increase (decrease) in cash	13,455	(33,254)
<b>Cash, Beginning of Year</b>	<u>25,018</u>	<u>58,272</u>
<b>Cash, End of Year</b>	<u>\$ 38,473</u>	<u>\$ 25,018</u>
<b>Supplemental Cash Flow Information</b>		
Cash paid for		
Interest	<u>\$ -</u>	<u>\$ 116</u>

See notes to financial statements



# **One Stop Senior Services**

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Notes to Financial Statements

June 30, 2017 and 2016

## **1. Description of the Organization**

One Stop Senior Services (the "Organization") helps older adults maintain safe, independent and fulfilled community living, offering expert, caring, professional guidance to help individuals 60 and older resolve their problems. Founded in 1981, the Organization operates as a trusted community resource, providing services that support seniors living in the Manhattan communities of the Upper West Side and Harlem. Services are free of charge and are available in English and Spanish.

Currently, the Organization offers a Care Management Program, providing in-home care management to vulnerable and frail seniors who have complex needs. Services include benefits and entitlements screening and application assistance as well as care coordination (health related, housing and financial, etc.) and ongoing counseling, monitoring and re-assessment to ensure clients' safety, maximum independence and well-being.

## **2. Summary of Significant Accounting Policies**

### **Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting. In addition, the Organization presents its financial statements in accordance with the accounting principles generally accepted in the United States of America for nonprofit entities. Under this guidance, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Furthermore, information is required to segregate program service expenses from management and general expenses.

Contributions received, if any, are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

### **Cash**

Cash consists of demand deposit accounts. Demand deposit accounts that are held in the Organization's investment portfolio are classified as investments and are not considered to be cash for the purposes of the statements of cash flows.

# **One Stop Senior Services**

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Notes to Financial Statements  
June 30, 2017 and 2016

## **Investments**

Investments in marketable securities with readily determinable fair values are valued at their fair value, based on quoted market prices, on the statements of financial position.

## **Allowance for Doubtful Accounts**

Management determines whether an allowance for uncollectible pledges should be recorded. Such estimates are based on management's assessments of the aged basis of the Organization's receivables, current economic conditions and historical experience. As of June 30, 2017 and 2016, management determined that an allowance was not necessary.

## **Support and Revenue**

Contributions, including unconditional pledges, are recorded at fair value as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

## **Income Taxes**

The Organization has applied for and received a determination letter from the Internal Revenue Service ("IRS") to be treated as a tax-exempt entity pursuant to Section 501(c)(3) of the Internal Revenue Code and did not have any unrelated business income for the year ended June 30, 2017 or 2016. Due to its tax-exempt status, the Organization is not subject to income taxes. The Organization is required to file and does file tax returns with the IRS and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Organization has no other tax positions which must be considered for disclosure.

## **Functional Allocation of Expenses**

The costs of providing various programs and support services have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain expenses have been allocated between program and supporting services based on management's best estimates.

## **Reclassifications**

Certain 2016 amounts have been reclassified to conform with the 2017 presentation.

## **Subsequent Events**

Subsequent events have been evaluated through December 7, 2017, which is the date the financial statements were available to be issued.

# One Stop Senior Services

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Notes to Financial Statements  
June 30, 2017 and 2016

## Recent Accounting Pronouncements

In August 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-15, *Presentation of Financial Statements - Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*. The core principle of ASU 2014-15 is intended to define management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. ASU 2014-15 defines the term substantial doubt and requires an assessment for a period of one year after the date the financial statements are issued (or available to be issued). ASU 2014-15 is effective for fiscal years ending after December 15, 2016. The adoption of ASU 2014-15 did not impact the Organization's financial statements.

## 3. Fair Value Measurements of Investments

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted market prices for identical assets in active markets that the Plan has the ability to access.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

## One Stop Senior Services

Notes to Financial Statements  
June 30, 2017 and 2016

Investment securities are carried at fair value based on quoted prices in active markets (all Level 1 measurements) and consist of the following at June 30, 2017 and 2016:

	2017			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 52,409	\$ -	\$ -	\$ 52,409
	<u>\$ 52,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,409</u>
2016				
Mutual funds	\$ 96,460	\$ -	\$ -	\$ 96,460
	<u>\$ 96,460</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The following schedule summarizes the investment return for the years ended June 30, 2017 and 2016. All investment earnings are available for the unrestricted use of the Organization:

	2017	2016
Investment interest and dividends	\$ 8,142	\$ 28,769
Realized and unrealized gains (losses) on investments	8,690	(32,635)
	<u>\$ 16,832</u>	<u>\$ (3,866)</u>

#### 4. Temporarily Restricted Net Assets and Net Assets Released from Restrictions

Temporarily restricted net assets were available for the following purposes at June 30:

	2017	2016
Care management	\$ -	\$ 35,000
Total	<u>\$ -</u>	<u>\$ 35,000</u>

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the passage of time. The net assets released from restrictions for the years ended June 30, 2017 and 2016, by program service, were as follows:

	2017	2016
Emergency grant/client assurance	\$ 6,408	\$ 6,742
Care management	35,000	49,476
Total	<u>\$ 41,408</u>	<u>\$ 56,218</u>

# One Stop Senior Services

Notes to Financial Statements  
June 30, 2017 and 2016

## 5. Line of Credit

The Organization has available a \$75,000 small business unsecured line of credit with interest payable monthly at 4.99% that expires October 2, 2049. There was no outstanding balance as of June 30, 2017 or June 30, 2016.

## 6. Commitments and Contingencies

During the year ended June 30, 2014, the Organization relocated its facility and leased space under an operating lease that expires on June 30, 2018. The lease requires additional payments based upon property tax and maintenance expense escalations as well as a pro rata contribution to the landlord's capital improvement fund (see Note 7). Aggregate rental expense for the years ended June 30, 2017 and 2016 amounted to \$150,471 and \$143,340, respectively.

Minimum annual rental commitments for the remaining term of the lease are as follows:

Year ending June 30:	
2018	<u>\$ 149,245</u>

## 7. Affiliation and Related Party Transactions

In September 2013, the Organization entered into an affiliation agreement with the Jewish Association for Services for the Aged ("JASA"), the purpose of which is to allow for the support and expansion of quality services and programming to the older adults living on the Upper West Side of Manhattan. In addition, under the terms of the agreement, JASA Corporation became the sole member of the Organization. JASA Corporation also wholly controls JASA.

Effective November 1, 2013, the Organization's employees were hired by JASA and continued to provide services under the One Stop contract between the Organization and the New York City Department for the Aging ("DFTA"). The Organization reimburses JASA for employee-related expenses. As of March 1, 2014, DFTA transferred the funding and sponsorship of the One Stop Case Assistance program to JASA. Since then, the services under the DFTA contract have been provided by JASA.

Also as a result of the affiliation agreement, the Organization froze its 403(b) retirement plan to new entrants. New hires, when qualified, are now eligible to enter the JASA employee benefit plan.

As explained in Note 6, the Organization continues to lease office space but it is reimbursed by JASA, since it is now being used exclusively by JASA employees. The Organization received rental income from JASA of \$111,465 and \$104,664 for the years ended June 30, 2017 and 2016, respectively.

As of June 30, 2017, \$3,375 remains due to JASA and is included as due to affiliate on the statements of financial position. This payable balance relates to services fees and rental payments. As of June 30, 2016, \$6,305 was due from JASA and is included as due from affiliate of the statements of financial position. This receivable balance pertains to contributions received by JASA for the Organization.

# **One Stop Senior Services**

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Notes to Financial Statements

June 30, 2017 and 2016

## **8. Risks and Uncertainties**

Financial instruments that potentially subject the Organization to credit risk consist principally of cash and investments. The Organization maintains its cash in bank deposit accounts and money market accounts, the balances of which, at times, may exceed federally insured limits. Exposure to credit risk is reduced by placing such deposits in high quality financial institutions. Investment securities are exposed to various risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.