

# **One Stop Senior Services**

Financial Statements

June 30, 2018 and 2017



**BAKER TILLY**

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# One Stop Senior Services

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## **Independent Auditors' Report**

Board of Directors  
One Stop Senior Services

We have audited the accompanying financial statements of One Stop Senior Services, which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years 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 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Baker Tilly Virchow Krause, LLP*

New York, New York  
December 4, 2018

# One Stop Senior Services

## Statements of Financial Position

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
Cash	\$ 13,212	\$ 38,473
Investments, at fair value	-	52,409
Contributions receivable	738	517
Due from affiliate	21,489	-
Security deposits	22,230	24,435
Cash held for representative payees	2,401	2,401
	<u>60,070</u>	<u>118,235</u>
Total assets	<u>\$ 60,070</u>	<u>\$ 118,235</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 27,102	\$ 47,227
Due to affiliate	-	3,375
Due to representative payees	2,401	2,401
	<u>29,503</u>	<u>53,003</u>
Total liabilities	<u>29,503</u>	<u>53,003</u>
<b>Net Assets</b>		
Unrestricted	<u>30,567</u>	<u>65,232</u>
Total net assets	<u>30,567</u>	<u>65,232</u>
Total liabilities and net assets	<u>\$ 60,070</u>	<u>\$ 118,235</u>

See notes to financial statements

## One Stop Senior Services

Statements of Activities

Years Ended June 30, 2018 and 2017

	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and Revenues</b>						
Private support, Contributions	\$ 51,528	\$ -	\$ 51,528	\$ 188,939	\$ 6,408	\$ 195,347
Total private support	51,528	-	51,528	188,939	6,408	195,347
<b>Revenues</b>						
Investment income, net	1,317	-	1,317	16,832	-	16,832
Rental income	84,499	-	84,499	111,465	-	111,465
Total revenues	85,816	-	85,816	128,297	-	128,297
<b>Net Assets Released from Restrictions</b>	-	-	-	41,408	(41,408)	-
Total support and revenues	137,344	-	137,344	358,644	(35,000)	323,644
<b>Expenses</b>						
Program services	169,371	-	169,371	337,332	-	337,332
Management and general	2,638	-	2,638	29,127	-	29,127
Total expenses	172,009	-	172,009	366,459	-	366,459
Changes in net assets	(34,665)	-	(34,665)	(7,815)	(35,000)	(42,815)
<b>Net Assets, Beginning of Year</b>	65,232		65,232	73,047	35,000	108,047
<b>Net Assets, End of Year</b>	\$ 30,567	\$ -	\$ 30,567	\$ 65,232	\$ -	\$ 65,232

See notes to financial statements

## One Stop Senior Services

Statements of Functional Expenses  
Years Ended June 30, 2018 and 2017

	Program Services		Management and General		Total	
	2018	2017	2018	2017	2018	2017
Professional and consulting services	\$ 43,705	\$ 169,321	\$ -	\$ 28,744	\$ 43,705	\$ 198,065
Occupancy	114,024	150,471	-	-	114,024	150,471
Communication	6,158	9,770	-	-	6,158	9,770
Client assistance and emergency grants	5,484	6,732	-	-	5,484	6,732
Miscellaneous	-	1,038	2,638	383	2,638	1,421
Total functional expenses	<u>\$ 169,371</u>	<u>\$ 337,332</u>	<u>\$ 2,638</u>	<u>\$ 29,127</u>	<u>\$ 172,009</u>	<u>\$ 366,459</u>

See notes to financial statements

# One Stop Senior Services

## Statements of Cash Flows

Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>Cash Flows from Operating Activities</b>		
Changes in net assets	\$ (34,665)	\$ (42,815)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Unrealized gains on investments	(297)	(8,690)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Contributions receivable	(221)	(14)
Due from affiliate	(21,489)	6,305
Security deposits	2,205	-
Cash held for representative payees	-	(396)
Increase (decrease) in:		
Accounts payable and accrued expenses	(20,125)	2,553
Due to affiliate	(3,375)	3,375
Due to representative payees	-	396
	<u>(77,967)</u>	<u>(39,286)</u>
Net cash used in operating activities		
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	-	(7,259)
Proceeds from sales of investments	52,706	60,000
	<u>52,706</u>	<u>52,741</u>
Net cash provided by investing activities		
	(25,261)	13,455
Net (decrease) increase in cash		
<b>Cash, Beginning of Year</b>	<u>38,473</u>	<u>25,018</u>
<b>Cash, End of Year</b>	<u>\$ 13,212</u>	<u>\$ 38,473</u>

See notes to financial statements

# **One Stop Senior Services**

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Notes to Financial Statements  
June 30, 2018 and 2017

## **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.

In September 2013, the Organization entered into an affiliation agreement with the Jewish Association for Services for the Aged ("JASA"). Under the terms of the agreement, JASA Corporation became the sole member of the Organization. JASA Corporation also wholly controls JASA. There are no current plans to dissolve the Organization and the operations are presented on an ongoing basis. The Organization has the full support JASA Corporation, if needed.

## **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.

# **One Stop Senior Services**

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Notes to Financial Statements  
June 30, 2018 and 2017

## **Cash**

Cash consists of cash deposited with major U.S. banks.

## **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. Net realized and unrealized gains and losses for the period are shown in the statements of activities.

## **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, 2018 and 2017, 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, 2018 or 2017. 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.

## **Subsequent Events**

Subsequent events have been evaluated through December 4, 2018, 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, 2018 and 2017

## Recent Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The new guidance is intended to improve and simplify the current net asset classification requirements and information presented in financial statements and notes that is useful in assessing a not-for-profit's liquidity, financial performance and cash flows. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017, with early adoption permitted. ASU 2016-14 is to be applied retroactively with transition provisions. Management is currently evaluating the impact of ASU 2016-14 on 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 Organization 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.

Investment securities are carried at fair value based on quoted prices in active markets. As of June 30, 2017, investments consisted of \$52,409 in mutual funds, all Level 1 measurements. There were no investments held at June 30, 2018.

## One Stop Senior Services

Notes to Financial Statements  
June 30, 2018 and 2017

The following schedule summarizes the investment return for the years ended June 30, 2018 and 2017. All investment earnings are available for the unrestricted use of the Organization:

	<u>2018</u>	<u>2017</u>
Investment interest and dividends	\$ 1,020	\$ 8,142
Realized and unrealized gains on investments	<u>297</u>	<u>8,690</u>
	<u>\$ 1,317</u>	<u>\$ 16,832</u>

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

There were no temporarily restricted net assets as of June 30, 2018.

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 year ended June 30, 2017, by program service, was as follows:

	<u>2017</u>
Emergency grant/client assurance	\$ 6,408
Care management	<u>35,000</u>
Total	<u>\$ 41,408</u>

#### 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, 2018 or 2017.

#### 6. Commitments and Contingencies

During the year ended June 30, 2017, the Organization leased space under an operating lease that was scheduled to expire on June 30, 2018. Such lease was terminated effective February 28, 2018. The expired lease required 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, 2018 and 2017 amounted to \$114,024 and \$150,471, respectively.

## **One Stop Senior Services**

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Notes to Financial Statements  
June 30, 2018 and 2017

### **7. Affiliation and Related Party Transactions**

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 leased office space, which was reimbursed by JASA, as it was being used exclusively by JASA employees. Such lease was terminated effective February 28, 2018. The Organization received rental income from JASA of \$84,499 and \$111,465 for the years ended June 30, 2018 and 2017, respectively.

As of June 30, 2018, \$21,489 is due from JASA and is included as due from affiliate on the statements of financial position. As of June 30, 2017, \$3,375 was due to JASA and was included as due to affiliate on the statements of financial position. The respective receivable and payable balances relate to services fees and rental payments.

### **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.