

**LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-For-Profit Corporation)**

**Financial Statements,
Independent Auditors' Report
and Supplementary Information**

December 31, 2015

**LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-Profit Corporation)
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Lehigh County Senior Citizens, Inc.
d/b/a Lehigh Valley Active Life
Allentown, PA

We have audited the accompanying financial statements of Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life (a nonprofit organization) which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, cash flows and functional expenses 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 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 Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life as of December 31, 2015, 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.

Report on Summarized Comparative Statements

We have previously audited the Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 19, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of Lehigh County Grants and the schedule of Occupancy Expenses on pages 21-23 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.

Congbell, Rappold & Yurasita LLP

Certified Public Accountants
Allentown, PA

June 24, 2016

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LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-Profit Corporation)
STATEMENT OF FINANCIAL POSITION
December 31, 2015
With Summarized Totals for 2014

<u>ASSETS:</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
Cash		
Regular Accounts	\$ 8,330	\$ 9,175
Invested Cash	-	-
Petty Cash	75	-
Prepaid Expenses	2,103	-
Grants and Accounts Receivable (Note 4)	25,372	-
Investments (Note 2 and Note 3)	771,210	-
Land, Building and Equipment (Net of Accumulated Depreciation) (Note 5)	677,290	-
	<u>677,290</u>	<u>-</u>
TOTAL ASSETS	\$ 1,484,380	\$ 9,175
<u>LIABILITIES AND NET ASSETS:</u>		
Accounts Payable	\$ 23,519	\$ -
Deposits for Trips and Socials	13,287	-
Accrued Expenses	7,422	-
	<u>44,228</u>	<u>-</u>
TOTAL LIABILITIES	\$ 44,228	\$ -
<u>Net Assets:</u>		
UNRESTRICTED		
Unrestricted and Undesignated	\$ 546,072	\$ -
Designated by the Board for Long-Term Investment	216,790	-
Net Assets Expended for Land, Building and Equipment	677,290	-
	<u>1,440,152</u>	<u>-</u>
TEMPORARILY RESTRICTED (Note 7)	-	9,175
PERMANENTLY RESTRICTED (Note 8)	-	-
	<u>-</u>	<u>-</u>
TOTAL NET ASSETS	\$ 1,440,152	\$ 9,175
TOTAL LIABILITIES AND NET ASSETS	\$ 1,484,380	\$ 9,175

See Independent Auditors' Report and Notes to Financial Statements.

Permanently Restricted	Total December 31,	
	2015	2014
\$ -	\$ 17,505	\$ 38,263
5,285	5,285	27,920
-	75	75
-	2,103	3,023
-	25,372	47,560
356	771,566	914,003
-	677,290	629,285
<u>\$ 5,641</u>	<u>\$ 1,499,196</u>	<u>\$ 1,660,129</u>
\$ -	\$ 23,519	\$ 2,303
-	13,287	5,540
-	7,422	13,389
<u>\$ -</u>	<u>\$ 44,228</u>	<u>\$ 21,232</u>
\$ -	\$ 546,072	\$ 707,409
-	216,790	209,140
-	677,290	629,285
-	9,175	87,422
<u>5,641</u>	<u>5,641</u>	<u>5,641</u>
<u>\$ 5,641</u>	<u>\$ 1,454,968</u>	<u>\$ 1,638,897</u>
<u>\$ 5,641</u>	<u>\$ 1,499,196</u>	<u>\$ 1,660,129</u>

LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-Profit Corporation)
STATEMENT OF ACTIVITIES
Year Ended December 31, 2015
With Summarized Totals for 2014

<u>Revenues and Other Support:</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
City of Allentown	\$ 15,000	\$ -
County of Lehigh	97,098	-
State Grants	-	-
United Way of the Greater Lehigh Valley	5,457	-
Foundations	20,000	-
In-Kind Contributions	10,140	-
Other Municipalities	14,950	-
Fund Raising (Net of Expenses of \$4,697 and \$7,560)	21,651	-
Development Grants and Income	93,872	9,500
Bequests	-	-
Membership Dues	39,529	-
Investment Income	35,748	-
Other Income	12,854	-
Participant Fees	179,814	-
Realized/Unrealized Gain on Investments	(26,113)	-
Net Assets Released from Restrictions: Satisfaction of Restrictions (Note 7)	<u>87,747</u>	<u>(87,747)</u>
Total Revenue and Other Support	\$ 607,747	\$ (78,247)
 <u>Expenses:</u>		
Transportation	\$ 13,358	\$ -
Socialization and Recreation	458,988	-
Nutritional Program	69,953	-
Therapeutic Socialization	15,675	-
Outreach/Fundraising	75,173	-
Administrative and General	<u>80,282</u>	<u>-</u>
Total Expenses	\$ 713,429	\$ -
CHANGE IN NET ASSETS	\$ (105,682)	\$ (78,247)
Net Assets at Beginning of Year	<u>1,545,834</u>	<u>87,422</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,440,152</u>	<u>\$ 9,175</u>

See Independent Auditors' Report and Notes to Financial Statements.

Permanently Restricted	Total Year Ended December 31,	
	2015	2014
\$ -	\$ 15,000	\$ 15,000
-	97,098	103,742
-	-	56,000
-	5,457	14,659
-	20,000	25,000
-	10,140	19,990
-	14,950	16,800
-	21,651	17,303
-	103,372	94,747
-	-	39,731
-	39,529	33,440
-	35,748	47,931
-	12,854	16,414
-	179,814	176,016
-	(26,113)	2,614
-	-	-
\$ -	\$ 529,500	\$ 679,387
\$ -	\$ 13,358	\$ 11,918
-	458,988	468,223
-	69,953	66,465
-	15,675	15,686
-	75,173	85,949
-	80,282	79,328
\$ -	\$ 713,429	\$ 727,569
\$ -	\$ (183,929)	\$ (48,182)
5,641	1,638,897	1,687,079
<u>\$ 5,641</u>	<u>\$ 1,454,968</u>	<u>\$ 1,638,897</u>

**LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-Profit Corporation)
STATEMENT OF CASH FLOWS
Year Ended December 31, 2015
With Summarized Totals for 2014**

	Total Year Ended December 31,	
	2015	2014
<i><u>Cash Flows from Operating Activities:</u></i>		
CHANGE IN NET ASSETS	\$ (183,929)	\$ (48,182)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	69,802	67,024
(Increase) Decrease in Grants and Accounts Receivable and Prepaid Expenses	23,108	(18,214)
Increase (Decrease) in Accounts Payable and Accrued Expenses	22,996	(37,324)
Net Realized/Unrealized (Gain) Loss on Investments	26,113	(2,614)
Net Cash (Used) by Operating Activities	\$ (41,910)	\$ (39,310)
<i><u>Cash Flows from Investing Activities:</u></i>		
Purchase of Investments	\$ (148,110)	\$ (111,496)
Proceeds from the Sale of Investments	264,434	175,260
Purchases of Furniture, Equipment and Building Improvements	(117,807)	(20,485)
Net Cash Provided (Used) by Investing Activities	\$ (1,483)	\$ 43,279
<i><u>Cash Flow from Financing Activities:</u></i>		
Net Cash Used by Financing Activities	\$ -	\$ -
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (43,393)	\$ 3,969
Cash and Cash Equivalents at Beginning of Year	66,258	62,289
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 22,865	\$ 66,258

See Independent Auditors' Report and Notes to Financial Statements.

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LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2015
With Summarized Totals for 2014

	Program Services			
	Transportation	Socialization- Recreation	Nutritional	Therapeutic Socialization
Salaries	\$ 4,656	\$ 160,104	\$ 28,271	\$ 6,352
Payroll Taxes	1,243	13,429	2,238	995
Employee Benefits	582	6,280	1,047	465
Total Salaries and Related Expenses	6,481	179,813	31,556	7,812
Professional Services	-	-	-	-
Occupancy	5,469	56,896	11,673	3,037
Telephone	219	1,312	219	109
Postage	-	6,110	-	-
Technology	-	640	-	-
Office Supplies and Expense	292	3,799	292	292
Socialization and Recreation Supplies	-	48,310	-	-
Socialization and Recreation Instructors Fee	-	115,152	-	-
Therapeutic Socialization Expense	-	-	-	486
Insurance	897	4,935	1,346	449
Transportation Expenses	-	-	-	-
Local Travel	-	103	-	-
Investment and Bank Fees	-	-	-	-
Conference and Convention	-	412	-	-
Development	-	-	-	-
Newsletter	-	11,249	-	-
Miscellaneous	-	940	436	-
Total Expense Before Depreciation	\$ 13,358	\$ 429,671	\$ 45,522	\$ 12,185
Depreciation	-	29,317	24,431	3,490
Total Expenses for 2015	\$ 13,358	\$ 458,988	\$ 69,953	\$ 15,675
Total Expenses for 2014	\$ 11,918	\$ 468,223	\$ 66,465	\$ 15,686

See Independent Auditors' Report and Notes to Financial Statements.

Total	Support Services		Total	Year Ended December 31,	
	Outreach/ Fundraising	Administrative and General		2015	2014
\$ 199,383	\$ 44,907	\$ 34,627	\$ 79,534	\$ 278,917	\$ 277,523
17,905	3,233	3,730	6,963	24,868	23,468
8,374	1,512	1,745	3,257	11,631	20,786
<u>212,081</u>	<u>49,652</u>	<u>40,102</u>	<u>88,727</u>	<u>315,416</u>	<u>321,777</u>
-	-	10,540	10,540	10,540	10,569
77,075	2,481	5,621	8,102	85,177	76,294
1,859	109	219	328	2,187	2,343
6,110	1,746	873	2,619	8,729	10,447
640	-	-	-	640	5,000
4,675	585	585	1,170	5,845	8,084
48,310	203	-	203	48,513	54,837
115,152	-	-	-	115,152	118,675
486	-	-	-	486	463
7,627	449	897	1,346	8,973	9,168
-	-	-	-	-	60
103	257	154	411	514	1,239
-	-	7,019	7,019	7,019	8,139
412	52	52	104	516	1,092
-	15,287	-	15,287	15,287	14,760
11,249	-	-	-	11,249	9,984
1,376	2,258	3,750	6,008	7,384	7,614
<u>\$ 487,155</u>	<u>\$ 73,079</u>	<u>\$ 69,812</u>	<u>\$ 141,864</u>	<u>\$ 643,627</u>	<u>\$ 660,545</u>
<u>57,238</u>	<u>2,094</u>	<u>10,470</u>	<u>12,564</u>	<u>69,802</u>	<u>67,024</u>
<u>\$ 544,393</u>	<u>\$ 75,173</u>	<u>\$ 80,282</u>	<u>\$ 154,428</u>	<u>\$ 713,429</u>	
<u>\$ 562,292</u>	<u>\$ 85,949</u>	<u>\$ 79,328</u>	<u>\$ 165,277</u>		<u>\$ 727,569</u>

LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

1. Summary of Significant Accounting Policies

Nature of Activities

Lehigh County Senior Citizens, Inc. d/b/a Lehigh Valley Active Life is a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania for the purpose of providing services to Lehigh County Senior Citizens.

The Organization is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting with the principles of not-for-profit accounting.

A description of the three net asset categories follows:

Unrestricted Net Assets

Unrestricted net assets include funds not subject to donor-imposed stipulations. In general, the revenues received and expenses incurred in conducting the Organization's charitable mission are included in this category.

Temporarily Restricted Assets

Temporarily restricted net assets include gifts, grants and pledges whose use by the Organization has been limited by donors to later periods of time or after specified dates, or to a specified purpose.

Permanently Restricted Net Assets

Permanently restricted net assets include gifts, trusts and pledges which are required by donor-imposed restrictions to be invested in perpetuity and only income be made available for operations in accordance with donor restrictions.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash and cash equivalents.

LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

1. Summary of Significant Accounting Policies (Continued)

Land, Building and Equipment

Land, building and equipment is stated at cost. Depreciation is computed by use of the straight-line method based on estimated useful lives. The Organization has a policy to capitalize all purchases greater than \$500 with a useful life of one year or more.

	<u>Years</u>
Building	31-½
Furniture and Equipment	5 – 10

Donated Materials and Services

Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated services inasmuch as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and in its fund-raising campaigns.

Meals provided through the congregate nutrition program, as well as supplies for that program, was provided by the Lehigh County Area Agency on Aging, as were the majority of units of transportation provided through Metro Plus.

Income Tax

The Organization is exempt from federal income taxes under the provision of Section 501 (c)(3) of the Internal Revenue Code and none of its present or anticipated future activities are subject to unrelated business income. Therefore, no provision for income taxes has been made in the accompanying financial statements.

Uncertain tax positions are evaluated in accordance with FASB ASC 740-10. FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in the Organization's financial statements and prescribes a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold has been met. FASB ASC 740-10 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, and disclosure. The Organization had no material unrecognized tax benefits or accrued interest penalties.

The Organization's federal Exempt Organization Business Income Tax Returns (Form 990) for 2013, 2014 and 2015 are subject to examination by the IRS, generally for three years after they were filed.

LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

2. Fair Value Measurements

Financial Accounting Standards Board ASC 820-10, Fair Value Measurements, establishes a framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- 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, are significant to the fair value measurement and include management's judgments about the assumptions market participants would use in pricing the asset or liability.

The asset's 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. Investments classified within Level 3 whose fair value measurements consider several inputs may include Level 1 and/or Level 2 inputs as components of the overall fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

Mutual funds: Valued at the net asset value ("NAV") of shares held by the organization at year end.

LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

2. Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2015 and 2014:

Investments at Fair Value at December 31, 2015				
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Bank Loan Fund	\$ 13,794	\$ -	\$ -	\$ 13,794
Diversified Emerging Market	16,434	-	-	16,434
Emerging Market Bonds	11,706	-	-	11,706
Foreign Large Value	23,199	-	-	23,199
Foreign Large Growth	51,173	-	-	51,173
Intermediate Term Bond	63,100	-	-	63,100
Large Blend	53,183	-	-	53,183
Large Growth	36,187	-	-	36,187
Large Value	39,897	-	-	39,897
Mid Cap Growth	81,261	-	-	81,261
Moderate Allocation	49,196	-	-	49,196
Multi Sector Bond	79,062	-	-	79,062
Muni Pennsylvania	62,389	-	-	62,389
Nontraditional Bond	16,782	-	-	16,782
Short-Term Bond	28,878	-	-	28,878
Small Value	22,893	-	-	22,893
Small Growth	87,429	-	-	87,429
World Stock	35,003	-	-	35,003
	\$ 771,566	\$ -	\$ -	\$ 771,566

**LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

2. Fair Value Measurements (Continued)

	Investments at Fair Value at December 31, 2014			
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Bank Loan Fund	\$ 15,993	\$ -	\$ -	\$ 15,993
Diversified Emerging Market	34,902	-	-	34,902
Emerging Market Bonds	13,794	-	-	13,794
Foreign Large Blend	13,721	-	-	13,721
Foreign Large Growth	42,222	-	-	42,222
Foreign Small/Mid Growth	7,834	-	-	7,834
Intermediate Term Bond	71,755	-	-	71,755
Large Blend	62,534	-	-	62,534
Large Growth	41,642	-	-	41,642
Large Value	46,825	-	-	46,825
Mid Cap Growth	120,739	-	-	120,739
Moderate Allocation	76,228	-	-	76,228
Multi Sector Bond	106,365	-	-	106,365
Muni Pennsylvania	60,367	-	-	60,367
Nontraditional Bond	20,361	-	-	20,361
Short-Term Bond	31,571	-	-	31,571
Small Value	66,236	-	-	66,236
Small Growth	26,329	-	-	26,329
World Allocation	23,863	-	-	23,863
World Stock	30,722	-	-	30,722
	<u>\$ 914,003</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 914,003</u>

3. Investments

Cost and market values of the investments are as follows:

	December 31, 2015		December 31, 2014	
	Cost	Market	Cost	Market
Mutual Funds	<u>\$ 715,487</u>	<u>\$ 771,566</u>	<u>\$ 831,897</u>	<u>\$ 914,003</u>
	<u>\$ 715,487</u>	<u>\$ 771,566</u>	<u>\$ 831,897</u>	<u>\$ 914,003</u>

**LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2015**

4. Grants and Accounts Receivable

	2015	2014
Grants and accounts receivable consist of:		
Other Accounts Receivable	\$ -	\$ 1,264
Lehigh County	25,372	46,296
	\$ 25,372	\$ 47,560

5. Land, Building and Equipment

Land, building and equipment consist of the following:

	2015	2014
Land	\$ 62,864	\$ 62,864
Building	1,719,963	1,607,045
Furniture and Equipment	291,155	286,264
	2,073,982	1,956,173
Less: Accumulated Depreciation	(1,396,692)	(1,326,888)
	\$ 677,290	\$ 629,285

Depreciation charged to expense was \$69,802 and \$67,024 for 2015 and 2014, respectively.

6. Retirement Plan

The Organization has a 403(b) defined contribution pension plan for its employees. During 2015 and 2014, the Organization did not contribute any employer match to the plan.

LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

7. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes.

History Project	\$	4,429
Roof Replacement		477
Capital Assets		<u>4,269</u>
		<u>\$ 9,175</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Purpose restrictions accomplished:

Aging Mastery Program	\$	4,838
Warehouse Renovation		80,178
Technology Equipment		<u>2,731</u>
Total Restrictions Released		<u>\$ 87,747</u>

8. Endowment

The Organization's endowment consists of donor-restricted funds, the income of which is to be utilized for operating expenses of the Organization. The funds are maintained in an interest bearing cash account, the earnings of which are expended for operations in the year earned. As required by Generally Accepted Accounting Principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Under relevant law, the management of the Organization has interpreted the law as requiring preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation the Organization classified as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation was added to the fund.

Endowment Net Asset Composition:

	December 31,	
	2015	2014
Permanently Restricted	\$ 5,641	\$ 5,641

LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

9. Summarized Totals for Year Ended December 31, 2014

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with Lehigh County Senior Citizens, Inc.'s financial statements for the year ended December 31, 2014, from which summarized information was derived.

10. Subsequent Events

Management has evaluated subsequent events through June 24, 2016, the date on which the financial statements were available to be issued, and had determined that no material subsequent events exist that require disclosure.

SUPPLEMENTARY INFORMATION

**LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
SCHEDULE OF LEHIGH COUNTY GRANTS
Year Ended December 31, 2015**

	<u>2015</u>	<u>2014</u>
General Grant	<u>\$ 97,098</u>	<u>\$ 103,742</u>

See Independent Auditors' Report on Supplementary Information.

**LEHIGH COUNTY SENIOR CITIZENS, INC.
D/B/A LEHIGH VALLEY ACTIVE LIFE
(A Not-for-profit Corporation)
SCHEDULE OF OCCUPANCY EXPENSES
Year Ended December 31, 2015
With Summarized Totals for 2014**

	Program Services			Therapeutic Socialization
	Transportation	Socialization- Recreation	Nutritional	
Water and Sewer	\$ -	\$ 1,437	\$ 90	\$ 90
Gas	-	9,588	213	320
Light and Power	877	10,526	3,509	526
Building Rental and Maintenance	-	4,111	484	-
Housekeeping Supplies	-	6,959	1,856	186
Pest Control	-	52	158	-
Real Estate Taxes	2,061	11,334	3,091	1,030
Insurance	897	4,935	1,346	449
Trash Removal	36	181	398	36
Lawn and Walkway Care	1,598	5,595	400	400
Contracted Services	-	2,178	128	-
	<u>\$ 5,469</u>	<u>\$ 56,896</u>	<u>\$ 11,673</u>	<u>\$ 3,037</u>

See independent auditors' report on supplementary information.

Total	Support Services		Total	Year ended December 31,	
	Outreach/ Fundraising	Management and General		2015	2014
\$ 1,617	\$ 90	\$ 90	\$ 180	\$ 1,797	\$ 1,681
10,121	-	533	533	10,654	13,390
15,438	877	1,228	2,105	17,543	17,266
4,595	-	242	242	4,837	13,003
9,001	-	278	278	9,279	8,343
210	-	-	-	210	483
17,516	1,030	2,061	3,091	20,607	-
7,627	448	897	1,345	8,972	9,168
651	36	36	72	723	3,497
7,993	-	-	-	7,993	8,116
2,306	-	256	256	2,562	1,347
<u>\$ 77,075</u>	<u>\$ 2,481</u>	<u>\$ 5,621</u>	<u>\$ 8,102</u>	<u>\$ 85,177</u>	<u>\$ 76,294</u>