

**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, 2014**

**CAMPBELL, RAPPOLD & YURASITS LLP**  
Certified Public Accountants  
1033 SOUTH CEDAR CREST BOULEVARD  
ALLENTOWN, PA 18103

**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, 2014, 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, 2014, 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 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 18, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, 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 & Yussata LLP*

Certified Public Accountants  
Allentown, PA

June 19, 2015

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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, 2014**  
**With Summarized Totals for 2013**

<b><u>ASSETS:</u></b>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
Cash		
Regular Accounts	\$ 38,263	\$ -
Invested Cash	-	22,279
Petty Cash	75	-
Prepaid Expenses	3,023	-
Grants and Accounts Receivable (Note 4)	47,560	-
Investments (Note 2 and Note 3)	848,860	65,143
Land, Building and Equipment (Net of Accumulated Depreciation) (Note 5)	629,285	-
<b>TOTAL ASSETS</b>	<b>\$ 1,567,066</b>	<b>\$ 87,422</b>
 <b><u>LIABILITIES AND NET ASSETS:</u></b>		
Accounts Payable	\$ 2,303	\$ -
Deposits for Trips and Socials	5,540	-
Accrued Expenses	13,389	-
<b>TOTAL LIABILITIES</b>	<b>\$ 21,232</b>	<b>\$ -</b>
 <b><u>Net Assets:</u></b>		
<b>UNRESTRICTED</b>		
Unrestricted and Undesignated	\$ 707,409	\$ -
Designated by the Board for Long-Term Investment	209,140	-
Net Assets Expended for Land, Building and Equipment	629,285	-
<b>TEMPORARILY RESTRICTED (Note 7)</b>	-	87,422
<b>PERMANENTLY RESTRICTED (Note 8)</b>	-	-
<b>TOTAL NET ASSETS</b>	<b>\$ 1,545,834</b>	<b>\$ 87,422</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,567,066</b>	<b>\$ 87,422</b>

See Independent Auditors' Report and Notes to Financial Statements.

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Permanently Restricted	Total December 31,	
	2014	2013
\$ -	\$ 38,263	\$ 28,749
5,641	27,920	33,365
-	75	175
-	3,023	5,157
-	47,560	27,212
-	914,003	975,153
-	629,285	675,824
<u>\$ 5,641</u>	<u>\$ 1,660,129</u>	<u>\$ 1,745,635</u>
\$ -	\$ 2,303	\$ 33,352
-	5,540	13,606
-	13,389	11,598
<u>\$ -</u>	<u>\$ 21,232</u>	<u>\$ 58,556</u>
\$ -	\$ 707,409	\$ 782,754
-	209,140	204,640
-	629,285	675,824
-	87,422	18,220
5,641	5,641	5,641
<u>\$ 5,641</u>	<u>\$ 1,638,897</u>	<u>\$ 1,687,079</u>
<u>\$ 5,641</u>	<u>\$ 1,660,129</u>	<u>\$ 1,745,635</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, 2014**  
**With Summarized Totals for 2013**

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<u>Revenues and Other Support:</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
City of Allentown	\$ 15,000	\$ -
County of Lehigh	103,742	-
State Grants	-	56,000
United Way of the Greater Lehigh Valley	14,659	-
Foundations	20,000	5,000
In-Kind Contributions	19,990	-
Other Municipalities	16,800	-
Fund Raising (Net of Expenses of \$4,697 and \$7,560)	17,303	-
Development Grants and Income	78,613	16,134
Bequests	39,731	-
Membership Dues	33,440	-
Investment Income	47,931	-
Other Income	16,414	-
Participant Fees	176,016	-
Realized/Unrealized Gain on Investments	2,614	-
Net Assets Released from Restrictions: Satisfaction of Restrictions (Note 7)	<u>7,932</u>	<u>(7,932)</u>
Total Revenue and Other Support	\$ 610,185	\$ 69,202
 <u>Expenses:</u>		
Transportation	\$ 11,918	\$ -
Socialization and Recreation	468,223	-
Nutritional Program	66,465	-
Therapeutic Socialization	15,686	-
Outreach/Fundraising	85,949	-
Administrative and General	<u>79,328</u>	<u>-</u>
Total Expenses	\$ 727,569	\$ -
CHANGE IN NET ASSETS	\$ (117,384)	\$ 69,202
Net Assets at Beginning of Year	<u>1,663,218</u>	<u>18,220</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,545,834</u>	<u>\$ 87,422</u>

See Independent Auditors' Report and Notes to Financial Statements.

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Permanently Restricted	Total Year Ended December 31,	
	2014	2013
\$ -	\$ 15,000	\$ 15,000
-	103,742	103,516
-	56,000	-
-	14,659	23,958
-	25,000	24,000
-	19,990	28,161
-	16,800	15,950
-	17,303	15,517
-	94,747	113,232
-	39,731	78,525
-	33,440	35,876
-	47,931	28,784
-	16,414	18,190
-	176,016	171,481
-	2,614	101,217
-	-	-
\$ -	\$ 679,387	\$ 773,407
\$ -	\$ 11,918	\$ 10,821
-	468,223	460,230
-	66,465	61,979
-	15,686	13,476
-	85,949	121,772
-	79,328	75,544
\$ -	\$ 727,569	\$ 743,822
\$ -	\$ (48,182)	\$ 29,585
5,641	1,687,079	1,657,494
\$ 5,641	\$ 1,638,897	\$ 1,687,079

**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, 2014  
With Summarized Totals for 2013**

	Total Year Ended December 31,	
	2014	2013
<i><u>Cash Flows from Operating Activities:</u></i>		
CHANGE IN NET ASSETS	\$ (48,182)	\$ 29,585
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	67,024	61,572
(Increase) in Grants and Accounts Receivable and Prepaid Expenses	(18,214)	(7,643)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(37,324)	40,745
Net Realized/Unrealized (Gain) on Investments	(2,614)	(101,217)
Net Cash (Used) Provided by Operating Activities	\$ (39,310)	\$ 23,042
<i><u>Cash Flows from Investing Activities:</u></i>		
Purchase of Investments	\$ (111,496)	\$ (229,820)
Proceeds from the Sale of Investments	175,260	204,391
Purchases of Furniture, Equipment and Building Improvements	(20,485)	(86,605)
Net Cash Provided (Used) by Investing Activities	\$ 43,279	\$ (112,034)
<i><u>Cash Flow from Financing Activities:</u></i>		
Net Cash Used by Financing Activities	\$ -	\$ -
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 3,969	\$ (88,992)
Cash and Cash Equivalents at Beginning of Year	62,289	151,281
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 66,258	\$ 62,289

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, 2014**  
**With Summarized Totals for 2013**

	Program Services			
	Transportation	Socialization- Recreation	Nutritional	Therapeutic Socialization
Salaries	\$ 4,512	\$ 159,529	\$ 25,884	\$ 6,913
Payroll Taxes	1,173	12,673	2,112	939
Employee Benefits	1,040	11,224	1,871	831
<b>Total Salaries and Related Expenses</b>	<b>6,725</b>	<b>183,426</b>	<b>29,867</b>	<b>8,683</b>
Professional Services	-	-	-	-
Occupancy	3,578	53,929	10,907	2,210
Telephone	234	1,406	235	117
Postage	-	7,313	-	-
Technology	-	5,000	-	-
Office Supplies and Expense	404	5,255	404	404
Socialization and Recreation Supplies	-	48,319	-	-
Socialization and Recreation Instructors Fee	-	118,675	-	-
Therapeutic Socialization Expense	-	-	-	463
Insurance	917	5,043	1,375	458
Transportation Expenses	60	-	-	-
Local Travel	-	248	-	-
Investment and Bank Fees	-	-	-	-
Conference and Convention	-	873	-	-
Development	-	-	-	-
Newsletter	-	9,984	-	-
Miscellaneous	-	602	219	-
<b>Total Expense Before Depreciation</b>	<b>\$ 11,918</b>	<b>\$ 440,073</b>	<b>\$ 43,007</b>	<b>\$ 12,335</b>
Depreciation	-	28,150	23,458	3,351
<b>Total Expenses for 2014</b>	<b>\$ 11,918</b>	<b>\$ 468,223</b>	<b>\$ 66,465</b>	<b>\$ 15,686</b>
<b>Total Expenses for 2013</b>	<b>\$ 10,821</b>	<b>\$ 460,230</b>	<b>\$ 61,979</b>	<b>\$ 13,476</b>

See notes to financial statements.

Total	Support Services		Total	Year Ended December 31,	
	Outreach/ Fundraising	Administrative and General		2014	2013
\$ 196,838	\$ 48,080	\$ 32,605	\$ 80,685	\$ 277,523	\$ 261,135
16,897	3,051	3,520	6,571	23,468	21,946
14,966	2,702	3,118	5,820	20,786	17,727
212,081	53,833	39,243	88,727	321,777	300,808
-	-	10,569	10,569	10,569	59,320
70,624	1,581	4,089	5,670	76,294	67,281
1,992	117	234	351	2,343	2,935
7,313	2,089	1,045	3,134	10,447	9,086
5,000	-	-	-	5,000	10,000
6,467	809	808	1,617	8,084	6,235
48,319	6,518	-	6,518	54,837	61,852
118,675	-	-	-	118,675	118,773
463	-	-	-	463	490
7,793	458	917	1,375	9,168	7,001
60	-	-	-	60	40
248	619	372	991	1,239	1,064
-	-	8,139	8,139	8,139	8,675
873	110	109	219	1,092	1,378
-	14,760	-	14,760	14,760	11,101
9,984	-	-	-	9,984	7,821
821	3,044	3,749	6,793	7,614	8,390
\$ 490,713	\$ 83,938	\$ 69,274	\$ 148,863	\$ 660,545	\$ 682,250
54,959	2,011	10,054	12,065	67,024	61,572
<u>\$ 545,672</u>	<u>\$ 85,949</u>	<u>\$ 79,328</u>	<u>\$ 160,928</u>	<u>\$ 727,569</u>	
<u>\$ 546,506</u>	<u>\$ 121,772</u>	<u>\$ 75,544</u>	<u>\$ 197,316</u>		<u>\$ 743,822</u>

**LEHIGH COUNTY SENIOR CITIZENS, INC.**  
**D/B/A LEHIGH VALLEY ACTIVE LIFE**  
**(A Not-for-profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014**

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**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, 2014**

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**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 2012, 2013 and 2014 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, 2014**

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**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, 2014 and 2013.

*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, 2014**

**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, 2014 and 2013:

	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
	\$ 914,003	\$ -	\$ -	\$ 914,003

**LEHIGH COUNTY SENIOR CITIZENS, INC.**  
**D/B/A LEHIGH VALLEY ACTIVE LIFE**  
**(A Not-for-profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014**

**2. Fair Value Measurements (Continued)**

	Investments at Fair Value at December 31, 2013			
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Bank Loan Fund	\$ 16,957	\$ -	\$ -	\$ 16,957
Diversified Emerging Market	34,013	-	-	34,013
Emerging Market Bonds	14,406			14,406
Foreign Large Blend	15,199	-	-	15,199
Foreign Large Growth	15,071	-	-	15,071
Foreign Small/Mid Growth	9,545	-	-	9,545
High Yield Bond	9,665	-	-	9,665
Intermediate Term Bond	67,123	-	-	67,123
Large Blend	69,355	-	-	69,355
Large Growth	47,546	-	-	47,546
Large Value	53,997	-	-	53,997
Mid Cap Growth	115,107	-	-	115,107
Moderate Allocation	70,162	-	-	70,162
Multi Sector Bond	103,664	-	-	103,664
Muni Pennsylvania	63,933	-	-	63,933
Nontraditional Bond	21,694	-	-	21,694
Short-Term Bond	33,677	-	-	33,677
Small Value	28,884	-	-	28,884
Small Growth	60,515	-	-	60,515
World Allocation	62,552	-	-	62,552
World Stock	62,088	-	-	62,088
	\$ 975,153	\$ -	\$ -	\$ 975,153

**3. Investments**

Cost and market values of the investments are as follows:

	December 31, 2014		December 31, 2013	
	Cost	Market	Cost	Market
Mutual Funds	\$ 831,897	\$ 914,003	\$ 880,677	\$ 975,153
	\$ 831,897	\$ 975,153	\$ 880,677	\$ 975,153

**LEHIGH COUNTY SENIOR CITIZENS, INC.**  
**D/B/A LEHIGH VALLEY ACTIVE LIFE**  
**(A Not-for-profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014**

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**4. Grants and Accounts Receivable**

	2014	2013
Grants and accounts receivable consist of:		
Other Accounts Receivable	\$ 1,264	\$ -
Lehigh County	46,296	27,212
	\$ 47,560	\$ 27,212

**5. Land, Building and Equipment**

Land, building and equipment consist of the following:

	2014	2013
Land	\$ 62,864	\$ 62,864
Building	1,607,045	1,599,143
Furniture and Equipment	286,264	273,681
	1,956,173	1,935,688
Less: Accumulated Depreciation	(1,326,888)	(1,259,864)
	\$ 629,285	\$ 675,824

Depreciation charged to expense was \$67,024 and \$61,572 for 2014 and 2013, respectively.

**6. Retirement Plan**

The Organization has a 403(b) defined contribution pension plan for its employees. During 2014 and 2013, 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, 2014**

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**7. Temporarily Restricted Net Assets**

Temporarily restricted net assets are available for the following purposes.

History Project	\$	4,429
Roof Replacement		477
Warehouse Renovation		80,178
Aging Mastery		<u>2,338</u>
		<u>\$ 87,422</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:

Roof Repairs	\$	1,550
Warehouse Renovation		2,720
Aging Mastery		<u>3,662</u>
Total Restrictions Released		<u>\$ 7,932</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,	
	2014	2013
Permanently Restricted	\$ 5,641	\$ 5,641

**LEHIGH COUNTY SENIOR CITIZENS, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**9. Summarized Totals for Year Ended December 31, 2013**

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, 2013, from which summarized information was derived.

**10. Subsequent Events**

Management has evaluated subsequent events through June 19, 2015, 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, 2014**

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	<u>2014</u>	<u>2013</u>
General Grant	<u>\$ 103,742</u>	<u>\$ 103,516</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, 2014**  
**With Summarized Totals for 2013**

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	Program Services			Therapeutic Socialization
	Transportation	Socialization- Recreation	Nutritional	
Water and Sewer	\$ -	\$ 1,345	\$ 84	\$ 84
Gas	-	12,051	268	402
Light and Power	863	10,360	3,453	518
Building Rental and Maintenance	-	11,053	1,300	-
Housekeeping Supplies	-	6,257	1,669	167
Pest Control	-	121	362	-
Insurance	917	5,042	1,375	458
Trash Removal	175	874	1,923	175
Lawn and Walkway Care	1,623	5,681	406	406
Contracted Services	-	1,145	67	-
	<u>\$ 3,578</u>	<u>\$ 53,929</u>	<u>\$ 10,907</u>	<u>\$ 2,210</u>

See independent auditors' report on supplementary information.

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Total	Support Services		Total	Year ended December 31,	
	Outreach/ Fundraising	Management and General		2014	2013
\$ 1,513	\$ 84	\$ 84	\$ 168	\$ 1,681	\$ 1,884
12,721	-	669	669	13,390	10,507
15,194	863	1,209	2,072	17,266	17,253
12,353	-	650	650	13,003	10,459
8,093	-	250	250	8,343	6,021
483	-	-	-	483	420
7,792	459	917	1,376	9,168	7,001
3,147	175	175	350	3,497	3,219
8,116	-	-	-	8,116	7,275
1,212	-	135	135	1,347	3,242
<u>\$ 70,624</u>	<u>\$ 1,581</u>	<u>\$ 4,089</u>	<u>\$ 5,670</u>	<u>\$ 76,294</u>	<u>\$ 67,281</u>