

STAMFORD SENIOR CENTER, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

DRAFT

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Stamford Senior Center, Inc.
888 Washington Blvd
Stamford, CT 06901

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We have audited the accompanying financial statements of Stamford Senior Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 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.

To the Board of Directors
Stamford Senior Center, Inc.
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Stamford Senior Center, Inc. as of June 30, 2022 and 2021, 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.

Certified Public Accountants

October 13, 2022

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STAMFORD SENIOR CENTER, INC.STATEMENTS OF FINANCIAL POSITIONAS OF JUNE 30, 2022, AND 2021

<u>ASSETS</u>	<u>JUNE 30,</u>	
	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 26,262	\$ 35,414
Short Term Investments, at Fair Value	509,081	541,586
Grant Receivable	33,411	759
Prepaid Expenses	3,208	3,613
Furniture and Equipment, Net of Accumulated Depreciation of \$215,410 at 6/30/22 and \$209,227 at 6/30/21	<u>53,594</u>	<u>57,394</u>
<u>TOTAL ASSETS</u>	<u>\$ 625,556</u>	<u>\$ 638,766</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Accounts Payable and Accrued Expenses	\$ 16,076	\$ 14,385
Deferred Income	59,596	49,655
Loan Payable	<u>-</u>	<u>53,383</u>
<u>Total Liabilities</u>	<u>75,672</u>	<u>117,423</u>
 <u>NET ASSETS</u>		
<u>WITHOUT DONOR RESTRICTIONS:</u>		
Undesignated	419,884	391,343
Rainy Day Fund Operating Expenses Designated By the Board	120,000	120,000
Replacement of Furniture and Equipment Designated By The Board	<u>10,000</u>	<u>10,000</u>
<u>Total Net Assets Without Donor Restrictions</u>	<u>549,884</u>	<u>521,343</u>
 <u>TOTAL LIABILITIES AND NETASSETS</u>	 <u>\$ 625,556</u>	 <u>\$ 638,766</u>

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See accompanying notes and independent auditors report.

STAMFORD SENIOR CENTER, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	YEARS ENDED JUNE 30,	
	2022	2021
<u>Revenue and Support</u>		
City of Stamford Grants	\$ 239,500	\$ 229,000
City of Stamford - in kind	165,218	157,607
Donations	147,531	119,041
Special Events, Net of Expenses of \$29,964 and \$0	35,831	-
Membership Contributions	23,323	17,405
Program Fees	9,215	8,932
Investment Income	2,495	4,427
Contribution - PPP	53,382	53,300
<u>Total Revenue and Support</u>	<u>\$ 676,495</u>	<u>\$ 589,712</u>
<u>Expenses:</u>		
<u>Program Services:</u>		
Exercise Classes	\$ 141,860	\$ 110,217
Skill Development Workshops	103,476	92,177
Cultural and Social Events	88,808	93,318
Socialization, Outreach and Other Education	90,825	91,057
Elderly Hispanic	128,164	112,159
<u>Total Program Services</u>	<u>\$ 553,133</u>	<u>\$ 498,928</u>
<u>Supporting Services:</u>		
Management and General	\$ 57,213	\$ 49,621
Fund Raising	37,608	29,152
<u>Total Supporting Services</u>	<u>94,821</u>	<u>78,773</u>
<u>Total Expenses</u>	<u>647,954</u>	<u>577,701</u>
<u>Change In Net Assets</u>	28,541	12,011
<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>521,343</u>	<u>509,332</u>
<u>NET ASSETS AT END OF YEAR</u>	<u>\$ 549,884</u>	<u>\$ 521,343</u>

See accompanying notes and independent auditors reports.

STAMFORD SENIOR CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2022

"EXHIBIT C"

	<u>Program Services</u>					<u>Total Program</u>	<u>Management & General</u>		<u>Fundraising</u>	<u>Total Expenses</u>
	<u>Exercise Classes</u>	<u>Educational</u>	<u>Cultural & Social Events</u>	<u>Outreach & Info Referral</u>	<u>Hispanic Outreach & Info Referral</u>		<u>General</u>	<u>& Fundraising</u>		
Salaries	\$ 54,337	\$ 43,887	\$ 39,708	\$ 35,528	\$ 55,106	\$ 228,566	\$ 20,899	\$ 14,629	\$ 264,094	
Payroll Taxes	4,037	3,261	3,053	2,691	4,473	17,515	1,571	1,100	20,186	
Employee Benefits	9,581	9,418	9,854	10,235	15,834	54,922	5,194	-	60,116	
Professional Services	32,644	4,663	3,177	3,510	8,091	52,085	4,712	336	57,133	
Occupancy	38,000	38,000	23,131	19,826	36,348	155,305	8,261	1,652	165,218	
Printing & Postage	-	-	195	2,115	-	2,310	-	2,545	4,855	
Other Program Expenses	1,136	1,516	3,323	5,265	204	11,444	1,187	2,131	14,762	
Transportation	-	-	-	500	1,500	2,000	-	-	2,000	
Hospitality	-	-	1,842	1,200	942	3,984	649	-	4,633	
Equipment Maintenance	222	691	2,181	3,572	-	6,666	6,049	1,915	14,630	
Office Supplies	-	-	824	3,389	3,981	8,194	-	1,448	9,642	
Outside Services	-	-	-	554	-	554	2,166	7,201	9,921	
Insurance	481	597	654	477	325	2,534	1,659	3,899	8,092	
Conferences & Other Charges	-	21	-	1,221	-	1,242	4,557	690	6,489	
Total Expenses Before										
Depreciation	140,438	102,054	87,942	90,083	126,804	547,321	56,904	375,546	641,771	
Depreciation	1,422	1,422	866	742	1,360	5,812	309	62	6,183	
Total Expenses	<u>\$ 141,860</u>	<u>\$ 103,476</u>	<u>\$ 88,808</u>	<u>\$ 90,825</u>	<u>\$ 128,164</u>	<u>\$ 553,133</u>	<u>\$ 57,213</u>	<u>\$ 37,608</u>	<u>\$ 647,954</u>	

See accompanying notes and independent auditors report.

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STAMFORD SENIOR CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021

"EXHIBIT C"

	Program Services				Management & General		Supporting Services		
Exercise Classes	Educational	Cultural & Social Events	Outreach & Info Referral	Hispanic Outreach & Info Referral	Total Program	Fundraising	Expenses		
Salaries	\$ 47,892	\$ 38,682	\$ 34,999	\$ 31,314	\$ 48,524	\$ 201,411	\$ 18,420	\$ 12,894	\$ 232,725
Payroll Taxes	3,608	2,915	2,728	2,404	3,726	15,381	1,404	983	17,768
Employee Benefits	8,597	8,597	8,597	8,597	15,646	50,034	5,922	3,439	59,395
Professional Services	15,234	6,432	2,160	2,600	2,325	28,751	8,395	330	37,476
Occupancy	31,500	30,500	27,707	20,000	33,000	142,707	8,000	5,000	155,707
Printing & Postage	-	-	-	2,207	-	2,207	360	2,739	5,306
Other Program Expenses	-	925	3,949	13,866	-	18,740	150	-	18,890
Hospitality	-	104	-	450	573	1,127	-	-	1,127
Equipment Maintenance	2,203	2,701	10,845	6,763	3,947	26,459	2,753	924	30,136
Office Supplies	-	-	975	301	3,392	4,668	-	-	4,668
Outside Services	-	-	-	434	-	434	2,019	1,390	3,843
Insurance	483	599	658	479	326	2,545	381	187	3,113
Conferences & Other Charges	-	22	-	942	-	964	111	766	1,841
Total Expenses Before Depreciation	109,517	91,477	92,618	90,357	111,459	495,428	47,915	28,652	571,995
Depreciation	700	700	700	700	700	3,500	1,706	500	5,706
Total Expenses	<u>\$ 110,217</u>	<u>\$ 92,177</u>	<u>\$ 93,318</u>	<u>\$ 91,057</u>	<u>\$ 112,159</u>	<u>\$ 498,928</u>	<u>\$ 49,621</u>	<u>\$ 29,152</u>	<u>\$ 577,701</u>

See accompanying notes and independent auditors report.

STAMFORD SENIOR CENTER, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	YEARS ENDED JUNE 30,	
	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in Net Assets	\$ 28,541	\$ 12,011
Adjustments to Reconcile Change in Net Assets to		
Net Change in Cash from Operating Activities:		
PPP Loans Forgiveness	(53,383)	(53,300)
Depreciation	6,183	5,706
(Increase) Decrease in Assets:		
Short Term Investments	32,505	(9,228)
Grant Receivable	(32,652)	18,628
Prepaid Expense	405	(2,290)
Increase (Decrease) in Liabilities:		
Account Payable and Accrued Expenses	1,691	2,095
Deferred Income	9,941	15,357
	<u>(6,769)</u>	<u>(11,021)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Capital Expenditures	(2,383)	(29,693)
Proceeds PPP Loan	-	53,383
Net Change in Cash from Investing Activities	<u>(2,383)</u>	<u>23,690</u>
Net Change in Cash and Cash Equivalents	(9,152)	12,669
Cash – Beginning	<u>35,414</u>	<u>22,745</u>
<u>CASH – END OF YEAR</u>	<u>\$ 26,262</u>	<u>\$ 35,414</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS:

Cash Paid During the Year for:

Income Taxes

Interest

-

-

-

-

See accompanying notes and independent auditors report.

STAMFORD SENIOR CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 – THE ORGANIZATION

The Stamford Senior Center, Inc. (the “Center”) was organized in October 1996 to promote the general welfare of Senior Adults in Stamford, Connecticut. Its mission is to provide affordable opportunities for older adults (aged 60 and older) in the greater Stamford area to be active and healthy in mind and body and remain connected to the community in a welcoming, safe and diverse environment. Most programs are offered free of charge. Members may register for additional classes available for an nominal fee.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Center been prepared on the accrual basis of accounting.

Financial Statement Presentation

The classification of a not-for-profit organization’s net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets be displayed in the statements of financial position and that the amounts of change in each of those classes of net assets be displayed in the statement of activities.

In accordance with U.S. generally accepted accounting principles (U.S. GAAP), the Center reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net assets without donor restriction – are net assets available for general use to support operations. The only limits on the use of net assets without donor restriction are broad limits resulting from the mission of the Center the environment in which it operates, and the purposes specified in its corporate documents.

The Center’s board of directors has designated a portion of net assets without donor restrictions for two board designated funds: first, a fund for rainy day operating expenses; and second, a fund for replacement of furniture and equipment.

Net asset with donor restriction – are net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or programmatic purposes specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. As of June 30, 2022, and 2021, there were no donor restricted assets.

STAMFORD SENIOR CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncement

On May 28, 2014, the FASB issued ASU 2014-09 regarding ASC Topic 606 “Revenue from Contracts with Customers”. This standards provides principles for recognizing revenue for the transfer of promised goods and services to customers with the consideration to which the entity expects to be entitled in exchanged for those goods or services. In June 2020, after a one year deferral of the effective date, this new revenue recognition standard applies to reporting periods beginning after December 15, 2019. The effects of the Center’s adoption of these standards had no impact to the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purpose of the statement of cash flows, the Center considers all temporary cash investments with an original maturity of three months or less to be cash equivalents.

The Center maintains its cash in various banks accounts, and is aware of federally insured limits. The Center has not experienced any losses in such accounts. The Center believes it is not exposed to any significant credit risk on cash and cash equivalents.

Revenue Recognition

Membership contributions are recognized ratable over the membership period, which is from July 1 through June 30 each year. Unearned contributions revenue is recorded as deferred revenue in the accompanying statements of financial position.

Revenue and expense has been recognized for the fair value of the contributed use of office and program space, related maintenance and supporting services and certain liability insurance coverage in the Stamford Government Center. See Note 6.

Contributed services are only recorded when they create or enhance nonfinancial assets or if they require specialized skills; accordingly, no amounts are recorded for the donated services received in the organization's administrative functions and fund raising campaigns.

STAMFORD SENIOR CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets

These assets are recorded at their estimated fair values at the dates received. All other expenditures for property and equipment in excess of \$1,000 are capitalized. Depreciation is being charged using the straight-line method over the estimated useful lives of the assets.

Advertising Costs

The Center expenses advertising costs as they are incurred.

Income Taxes

The Center is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code of 1986 as amended; thus no provision for federal income taxes has been made. In addition, the Center qualifies for the charitable contribution deduction under Section 170(b) (1) (A) and has been classified as an organization that is not a private foundation under Section 509(a) (2). The Center's Income Tax Return (Form 990) has not been examined for the past three years.

NOTE 3 – CASH IN BANK – OPERATING FUNDS AND SHORT TERM INVESTMENTS

Short term investments consist of bank certificates of deposit with maturities of less than one year and money market funds. All bear current market rates of return and reported amounts include interest credited through the balance sheet dates. Accordingly, amounts reported are stated at fair value.

The operating, money market accounts and the bank certificates of deposit are insured by the Federal Depository Insurance Corporation (FDIC) up to \$250,000 per bank.

NOTE 4 – FUNCTIONAL ALLOCATION OF EXPENSES

The Statement of Activities reports expenses by both natural and functional classification. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs are directly applied to the related program or supporting service category when identifiable and possible. General operating costs across nearly all natural categories are allocated on the basis of estimates of time and effort.

STAMFORD SENIOR CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 5 – LEASING ARRANGEMENTS/IN KIND CONTRIBUTIONS

The City of Stamford has provided the Center with the use of program and office space at the Stamford Government Center, 888 Washington Blvd, Stamford, CT, along with electrical and custodial services, general liability insurance and security under an operating lease that expired in 2021. The Center is currently discussing a new lease arrangement with the City and occupies the Government Center space on a month to month under the same terms as the expired lease and is not required to pay rent.

The estimated fair value of these facilities are recorded as contribution income and as occupancy expense in the amounts of \$165,218 and \$155,707 for the years ended June 30, 2022 and 2021, respectively.

NOTE 6– RETIREMENT PLAN

The Center has established a Savings Incentive Match Plan for Employees (SIMPLE) IRA. Employees that expect to earn at least \$5,000 in the current calendar year or have earned at least \$5,000 during any two prior calendar years are eligible. The Center may match any contributions an employee makes up to 3 % of their salary or a non-elective contributions equal to 2 % of their total compensation per year (up to \$285,000 compensation limit for 2021). An employee who is 50 years or older can make a catch-up contributions of \$6,500 per year. Contribution Expense was \$6,693 and \$6,390 for the years ended June 30, 2022 and 2021, respectively.

NOTE 7 – FAIR VALUE MEASUREMENTS

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity.

FASB ASC 820 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). In accordance with FASB ASC 820, the following summarizes the fair value hierarchy:

Level 1 Inputs – Unadjusted quoted market prices for identical assets and liabilities in an active market that the Company has the ability to access.

STAMFORD SENIOR CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 7 – FAIR VALUE MEASUREMENTS (Continued)

Level 2 Inputs – Inputs other than the quoted prices in active markets that are observable either directly or indirectly.

Level 3 Inputs – Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

FASB ASC 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

As of June 30, 2022, and 2021, none of the Center's assets and liabilities was required to be reported at fair value on a recurring basis. Carrying values of non-derivative financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses, approximate fair values due to the short term nature of these financial instruments. There are no changes in methods or assumptions during the years ended June 30, 2022 and 2021.

NOTE 8 – CONTRIBUTION – PPP

On January 23, 2021, The Center was granted a \$53,383 loan under the Paycheck Projection Program (“PPP”) administered by the U.S. Small Business Administration (The “SBA”) approved partner. On July 23, 2021, The Center received full forgiveness of the loan by the SBA.

NOTE 9 – SUBSEQUENT EVENTS

The Center's management evaluated subsequent events through report date.