

**GIBSON CENTER FOR SENIOR SERVICES, INC.
AND AFFILIATE**

Consolidated Financial Statements

June 30, 2017 and 2016

and

Independent Auditor's Report

**GIBSON CENTER FOR SENIOR SERVICES, INC.
AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2017 and 2016**

TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Functional Expenses	5
Consolidated Statements of Cash Flows	6
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	7-15
SUPPLEMENTARY INFORMATION	
Consolidating Statement of Financial Position	16-17
Consolidating Statement of Activities	18-19
Consolidating Statement of Functional Expenses	20-27
Consolidating Statement of Cash Flows	28-29

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Gibson Center for Senior Services, Inc. and Affiliate

We have audited the accompanying consolidated financial statements of the Gibson Center for Senior Services, Inc. (a nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of June 30, 2017 and 2016, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Gibson Center for Senior Services, Inc. and Affiliate as of June 30, 2017 and 2016, 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.

Other Matters

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating financial statements are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Wachon Aubrey & Company PC

Manchester, New Hampshire
September 19, 2017

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and cash equivalents	\$ 264,332	\$ 227,734
Investments	156,738	105,415
Accounts receivable	51,660	68,042
Prepaid expenses	29,242	37,823
Inventory	2,397	2,397
Deposits	7,788	500
Property and equipment, net	2,758,505	2,835,582
New Hampshire Charitable Foundation Restricted Fund	<u>769,000</u>	<u>709,959</u>
TOTAL ASSETS	<u><u>\$ 4,039,662</u></u>	<u><u>\$ 3,987,452</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable	\$ 22,932	\$ 20,573
Accrued expenses	30,039	27,763
Deferred income	37,500	39,368
Security deposit payable	11,662	10,903
Mortgage note payable	<u>150,759</u>	<u>166,442</u>
TOTAL LIABILITIES	<u><u>252,892</u></u>	<u><u>265,049</u></u>
NET ASSETS:		
Unrestricted:		
Undesignated	2,948,955	2,893,210
Board restricted for capital acquisitions	816,381	816,381
Temporarily restricted	<u>21,434</u>	<u>12,812</u>
TOTAL NET ASSETS	<u><u>3,786,770</u></u>	<u><u>3,722,403</u></u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 4,039,662</u></u>	<u><u>\$ 3,987,452</u></u>

See notes to consolidated financial statements

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
CHANGES IN UNRESTRICTED NET ASSETS:		
Fees and grants from governmental agencies	\$ 355,249	\$ 353,111
Town appropriations	50,000	50,000
Contributions	249,942	209,938
Fund raising	140,701	156,243
Rental income	163,400	160,785
Interest and dividend income	5,231	6,835
Other income	48,192	51,971
Net unrealized and realized gains (losses) on investments	92,547	(28,450)
TOTAL OPERATING REVENUES AND GAINS	<u>1,105,262</u>	<u>960,433</u>
NET ASSETS RELEASED FROM RESTRICTIONS:		
Satisfaction of donor restrictions	11,378	12,793
TOTAL NET ASSETS RELEASED FROM RESTRICTIONS	<u>11,378</u>	<u>12,793</u>
TOTAL OPERATING REVENUES AND GAINS AND OTHER SUPPORT	<u>1,116,640</u>	<u>973,226</u>
OPERATING EXPENSES:		
PROGRAM SERVICES:		
Nutrition	426,138	422,990
Transportation	107,375	107,416
Social and Educational	105,901	103,910
Total Program Services	<u>639,414</u>	<u>634,316</u>
SUPPORTING SERVICES:		
Management and general	281,172	269,597
Fund raising	140,310	141,072
Total Supporting Services	<u>421,482</u>	<u>410,669</u>
TOTAL OPERATING EXPENSES	<u>1,060,896</u>	<u>1,044,985</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS FROM OPERATIONS	<u>55,744</u>	<u>(71,759)</u>
OTHER CHANGES:		
Insurance claim proceeds	-	25,813
Insured damages	-	(26,813)
TOTAL OTHER CHANGES	<u>-</u>	<u>(1,000)</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	<u>55,744</u>	<u>(72,759)</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:		
Grants	20,001	-
Contributions	-	13,100
Net assets released from restrictions	(11,378)	(12,793)
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>8,623</u>	<u>307</u>
INCREASE (DECREASE) IN NET ASSETS	64,367	(72,452)
NET ASSETS, July 1	<u>3,722,403</u>	<u>3,794,855</u>
NET ASSETS, June 30	<u>\$ 3,786,770</u>	<u>\$ 3,722,403</u>

See notes to consolidated financial statements

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2017

	Program Services				Supporting Services			Total Expenses 2017
	Nutrition	Transportation	Social and Educational	Total Program Services	Management and General	Fund Raising	Total Supporting Services	
Salaries and wages	\$ 225,675	\$ 59,758	\$ 56,960	\$ 342,393	\$ 23,665	\$ 85,860	\$ 109,525	\$ 451,918
Payroll taxes	16,988	4,617	4,082	25,687	1,758	6,435	8,193	33,880
Employee benefits	39,996	7,036	13,966	60,998	8,971	19,331	28,302	89,300
Total Salaries and Related Expenses	282,659	71,411	75,008	429,078	34,394	111,626	146,020	575,098
Food	63,483	-	-	63,483	-	-	-	63,483
Direct program expenses	14,854	857	28,125	43,836	210	14,705	14,915	58,751
Vehicle expense	-	22,043	-	22,043	-	-	-	22,043
Travel	9,293	65	-	9,358	958	738	1,696	11,054
Conferences and training	836	308	-	1,144	-	175	175	1,319
Insurance	9,378	2,466	362	12,206	15,181	362	15,543	27,749
Telephone	604	228	228	1,060	732	228	960	2,020
Professional services	5,187	1,478	1,478	8,143	5,777	1,478	7,255	15,398
Postage	209	-	-	209	433	158	591	800
Office expenses	3,316	762	700	4,778	2,193	2,808	5,001	9,779
Public relations/communications	348	31	-	379	-	1,366	1,366	1,745
Special events	-	-	-	-	-	6,666	6,666	6,666
Utilities	14,703	3,003	-	17,706	34,239	-	34,239	51,945
Repairs and maintenance	21,268	4,396	-	25,664	52,198	-	52,198	77,862
Foundation and investment expense:	-	-	-	-	6,961	-	6,961	6,961
Interest expense	-	-	-	-	5,954	-	5,954	5,954
Payments in lieu of real estate taxes	-	-	-	-	14,763	-	14,763	14,763
Total Expenses Before Depreciation	426,138	107,048	105,901	639,087	173,993	140,310	314,303	953,390
Depreciation expense	-	327	-	327	107,179	-	107,179	107,506
Total Expenses	\$ 426,138	\$ 107,375	\$ 105,901	\$ 639,414	\$ 281,172	\$ 140,310	\$ 421,482	\$ 1,060,896

For the Year Ended June 30, 2016

	Program Services				Supporting Services			Total Expenses 2016
	Nutrition	Transportation	Social and Educational	Total Program Services	Management and General	Fund Raising	Total Supporting Services	
Salaries and wages	\$ 221,663	\$ 58,078	\$ 55,930	\$ 335,671	\$ 28,681	\$ 83,233	\$ 111,914	\$ 447,585
Payroll taxes	16,462	4,282	4,029	24,773	1,666	6,108	7,774	32,547
Employee benefits	47,951	7,035	13,865	68,851	5,583	19,391	24,974	77,946
Total Salaries and Related Expenses	286,076	69,395	73,824	429,295	35,930	108,732	144,662	573,957
Food	62,767	-	-	62,767	-	-	-	62,767
Direct program expenses	13,907	587	26,998	41,492	197	14,168	14,365	55,857
Vehicle expense	-	16,036	-	16,036	-	-	-	16,036
Travel	8,920	22	-	8,942	945	702	1,647	10,589
Conferences and training	270	99	-	369	-	-	-	369
Insurance	9,144	2,407	362	11,913	15,061	362	15,423	27,336
Telephone	744	300	262	1,306	1,842	281	2,123	3,429
Professional services	5,485	1,588	1,588	8,661	6,017	9,913	15,930	24,591
Postage	264	8	-	272	441	51	492	764
Office expenses	4,263	807	876	5,946	3,012	2,115	5,127	11,073
Public relations/communications	-	47	-	47	-	1,837	1,837	1,884
Special events	-	-	-	-	-	2,911	2,911	2,911
Utilities	14,956	3,040	-	17,996	37,820	-	37,820	55,816
Repairs and maintenance	16,194	3,701	-	19,895	36,361	-	36,361	56,256
Foundation and investment expense:	-	-	-	-	6,550	-	6,550	6,550
Interest expense	-	-	-	-	5,993	-	5,993	5,993
Payments in lieu of real estate taxes	-	-	-	-	14,439	-	14,439	14,439
Total Expenses Before Depreciation	422,990	98,037	103,910	624,937	164,608	141,072	305,680	930,617
Depreciation expense	-	9,379	-	9,379	104,989	-	104,989	114,368
Total Expenses	\$ 422,990	\$ 107,416	\$ 100,335	\$ 634,316	\$ 269,597	\$ 133,744	\$ 410,669	\$ 1,044,985

See notes to consolidated financial statements

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities:		
Cash received from grants and contributions	\$ 666,171	\$ 633,127
Interest income received	1,326	917
Other income received	377,229	373,708
Cash paid to employees	(448,958)	(436,467)
Cash paid to suppliers	(471,076)	(437,207)
Payments in lieu of tax	(14,763)	(14,439)
Interest paid	(5,954)	(5,993)
Net Cash Provided by Operating Activities	<u>103,975</u>	<u>113,646</u>
Cash Flows From Investing Activities:		
Proceeds from sale of property and equipment		
Distributions from New Hampshire Charitable Foundation	30,058	29,584
Insurance proceeds	-	25,813
Insured damages	-	(26,813)
Redemption of investments		-
Purchases of investments	(51,323)	(692)
Purchases of property and equipment	(30,429)	(34,155)
Net Cash (Used) by Investing Activities	<u>(51,694)</u>	<u>(6,263)</u>
Cash Flows From Financing Activities:		
Payments on notes payable	(15,683)	(15,360)
Net Cash (Used) by Financing Activities	<u>(15,683)</u>	<u>(15,360)</u>
Net increase in cash and cash equivalents	36,598	92,023
Cash and cash equivalents, July 1	<u>227,734</u>	<u>135,711</u>
Cash and cash equivalents, June 30	<u>\$ 264,332</u>	<u>\$ 227,734</u>
Reconciliation of Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities:		
Increase (Decrease) in net assets	\$ 64,367	\$ (72,452)
Adjustments to Reconcile Increase (Decrease) in Net Assets to to Net Cash Provided by Operating Activities:		
Depreciation	107,506	114,368
Change in Assets held by New Hampshire Charitable Foundation	(89,099)	29,465
Net loss on insurance claim		1,000
Changes in operating assets and liabilities:		
Decrease in accounts receivable	16,382	8,710
Decrease in prepaid expenses	8,581	1,413
(Increase) in inventory		(191)
(Increase) in deposits	(7,288)	
Increase in accounts payable	2,359	17,359
Increase in accrued expenses	2,276	11,380
(Decrease) increase in deferred revenue	(1,868)	1,868
Increase in security deposit payable	759	726
Net Cash Provided by Operating Activities	<u>\$ 103,975</u>	<u>\$ 113,646</u>

See notes to consolidated financial statements

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended June 30, 2017 and 2016**

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

The Gibson Center for Senior Services, Inc. (the "Organization") was founded on October 1, 1979 and subsequently incorporated on November 15, 1988 as a non-profit organization. The Organization offers an evolving array of programs and services to both active and passive senior residents of Northern Carroll County New Hampshire. The Organization services the needs of senior residents through nutrition programs, transportation programs for the elderly and disabled, and social and educational programs, which are designed to enable them to stay actively involved in their communities.

Affiliate

In May 2005, the Organization established Silver Lake Senior Housing Corporation (the Affiliate), a non-profit organization, for the purpose of acquiring land and buildings located in Madison, New Hampshire. The Affiliate operates a senior residential facility. The operation of Silver Lake Landing began July 22, 2005.

Accounting Policies

The accounting policies of the Gibson Center for Senior Services, Inc. and Affiliate conform to accounting principles generally accepted in the United States of America as applicable to non-profit organizations except as indicated hereafter. All significant inter-company transactions and balances have been eliminated for the consolidated financial statement presentation. The following is a summary of significant accounting policies.

Basis of Presentation

The consolidated financial statements have been prepared in accordance with the reporting pronouncements pertaining to Not-for-Profit Entities included within the FASB Accounting Standards Codification (FASB ASC 958-205). Under FASB ASC 958-205, 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, based upon the existence or absence of donor-imposed restrictions.

Basis of Accounting

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

Revenues from program services are recorded when earned. Other miscellaneous revenues are recorded upon receipt.

Contributions

The Organization accounts for contributions received in accordance with FASB ASC 958-605, *Accounting for Contributions Received and Contributions Made*. Contributions received are recorded as

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended June 30, 2017 and 2016

unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Recognition of Donor Restrictions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Donated Services, Materials and Facilities

The Organization receives donated services from a variety of unpaid volunteers assisting with meal deliveries to the elderly and disabled, operations at the thrift shop, and other administrative tasks. No amounts have been recognized in the consolidated financial statements for these donated services because the accounting criteria for recognition of such volunteer efforts have not been satisfied.

Additionally, the Organization operates a thrift shop in which all items sold in the shop have been donated. The fair value of the donated goods is indeterminable until time of sale. Revenue recognized pertaining to the operation of the thrift shop, and included within fundraising revenue, for the years ended June 30, 2017 and 2016 was \$79,321 and \$78,607, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated on the statements of functional expenses among the programs and supporting services based on percentage allocations determined by the Organization's management.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, cash and equivalents consist of demand deposits, cash on hand and all highly liquid investments with a maturity of 90 days or less.

Investments

Investments, which consist solely of certificates of deposit with a maturity of greater than ninety days from the date of issuance, are carried at their market value at June 30, 2017 and June 30, 2016. Interest income is reflected in the statements of activities.

At June 30, 2017 and 2016, the market value of investments consists of the following:

	<u>2017</u>	<u>2016</u>
Certificates of deposit	<u>\$ 156,738</u>	<u>\$ 105,415</u>

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended June 30, 2017 and 2016**

Contributions Receivable

Unconditional pledges are recorded as made. These amounts are recorded at the present value of the estimated fair value. Conditional pledges are recognized only when the conditions on which they depend are substantially met and the pledges become unconditional.

Inventory

Inventory consists of maintenance supplies on hand and is valued at the lower of cost (determined on the first-in, first-out method) or market. Food purchases are recorded as an expense in the period purchased. Food inventory, if any, at year end is not material to the consolidated financial statements.

Property and Equipment

Property and equipment are stated at cost. Donated property and equipment is recorded at fair value determined as of the date of the donation. The Organization's policy is to capitalize expenditures for major improvements and to charge to operations currently for expenditures which do not extend the lives of related assets in the period incurred. Depreciation is computed using the straight-line method at rates intended to amortize the cost of related assets over their estimated useful lives as follows:

	<u>Years</u>
Land improvements	5-39
Building and improvements	5-40
Equipment and vehicles	3-15
Furniture and fixtures	5-39

Accrued Earned Time

All full-time and part-time employees accrue earned time as they provide services. Earned time is accrued at a rate dependent upon length of service. Earned time may be accrued to a maximum of 26 days. Upon termination of employment, any accrued/unused earned time will be paid at current rates of pay, except for employees who have been employed for less than 90 days.

Bad Debts

The Organization uses the reserve method for accounting for bad debts. No allowance has been recorded as of June 30, 2017 and 2016, because management of the Organization believes that all outstanding receivables are fully collectible.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended June 30, 2017 and 2016

Fair Value of Financial Instruments

Cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are carried in the consolidated financial statements at amounts which approximate fair value due to the inherently short-term nature of the transactions. The fair values determined for financial instruments are estimates, which for certain accounts may differ significantly from the amounts that could be realized upon immediate liquidation.

Income Taxes

The Organization and its Affiliate have both received determination letters from the Internal Revenue Service stating that they qualify for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code for their exempt function income. In addition, the Organization and its Affiliate are not subject to state income taxes. Accordingly, no provision has been made for Federal or State income taxes.

The FASB adopted Accounting Standards Codification Topic 740 entitled *Accounting for Income Taxes* which requires the Organization and its Affiliate to report uncertain tax positions for financial reporting purposes. FASB ASC 740 prescribes rules regarding how the Organization and its Affiliate should recognize, measure and disclose in its financial statements, tax positions that were taken or will be taken on the Organization and its Affiliates tax returns that are reflected in measuring current or deferred income tax assets and liabilities. Differences between tax positions taken in a tax return and amounts recognized in the financial statements will generally result in an increase in a liability for income tax payable or a reduction in a deferred tax asset or an increase in a deferred tax liability. The Organization and its Affiliate do not have any material unrecognized tax benefits. As of June 30, 2017, the tax years ending June 30, 2016, 2015 and 2014 remain subject to possible examination by major tax jurisdictions.

During the years ended June 30, 2017 and 2016, the Organization had unrelated business income from advertising, copier fees, and room usage fees. No provision has been made in these consolidated financial statements for accrued unrelated business income taxes as the amount is not material.

NOTE 2--CONCENTRATION OF CREDIT RISK

The Organization and its Affiliate maintain bank deposits at a local financial institution located in New Hampshire. The Organization and its Affiliate's demand deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to a total of \$250,000. Certificates of deposit maintained by the Organization and its Affiliate are also insured by the FDIC up to a total of \$250,000. There were no balances exceeding federally insured limits for the Organization or its Affiliate at June 30, 2017 and 2016.

NOTE 3--INVESTMENTS

Fair Value Measurements

The Organization and its Affiliate report under the Fair Value Measurements pronouncements of the FASB Accounting Standards Codification (FASB ASC 820) which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs of 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 measurement) and the lowest

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
 For the Years Ended June 30, 2017 and 2016**

priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below.

Level 1 - Inputs to the valuation methodology are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 – Inputs to the valuation include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities that are not active;
- 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’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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs at the closing price reported on the active market on which the individual securities are traded.

Following is a description of the valuation methodologies used for assets measured at fair value.

Certificates of Deposit: Valued at acquisition cost which approximates fair value.

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 tables set forth by level, within the fair value hierarchy, the Organization and its Affiliate’s assets at fair value:

Assets at Fair Value as of June 30, 2017	
	<u>Level 1</u>
Certificates of Deposit	<u>\$ 156,738</u>
 Assets at Fair Value as of June 30, 2016	
	<u>Level 1</u>
Certificates of Deposit	<u>\$ 105,416</u>

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended June 30, 2017 and 2016

Investment Valuation and Income Recognition

The Organization and its Affiliate's investments as of June 30, 2017 and June 30, 2016 are stated at fair value. Interest income is recorded on the accrual basis.

NOTE 4--ACCOUNTS RECEIVABLE

Accounts receivable consist of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Town appropriations	\$ 26,000	\$ 43,500
Fees and grants from governmental agencies	15,472	22,037
Other	10,188	2,505
	<u>\$ 51,660</u>	<u>\$ 68,042</u>

NOTE 5--PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2017 and 2016 is as follows:

	<u>2017</u>	<u>2016</u>
<u>Organization</u>		
Land and land improvements	\$ 377,789	\$ 377,789
Building and building improvements	1,608,810	1,597,083
Equipment and vehicles	200,087	194,507
Furniture and fixtures	72,717	72,717
	<u>2,259,403</u>	<u>2,242,096</u>
Less accumulated depreciation	<u>(827,087)</u>	<u>(770,596)</u>
	<u>\$ 1,432,316</u>	<u>\$ 1,471,500</u>

	<u>2017</u>	<u>2016</u>
<u>Affiliate</u>		
Land and land improvements	\$ 328,600	\$ 328,600
Building and building improvements	1,319,462	1,319,462
Equipment and vehicles	41,175	32,460
Furniture and fixtures	103,230	101,867
	<u>1,792,467</u>	<u>1,782,389</u>
Less accumulated depreciation	<u>(466,278)</u>	<u>(418,307)</u>
	<u>\$ 1,326,189</u>	<u>\$ 1,364,082</u>

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended June 30, 2017 and 2016

<u>Consolidated</u>	<u>2017</u>	<u>2016</u>
Land and land improvements	\$ 706,389	\$ 706,389
Building and building improvements	2,928,272	2,916,545
Equipment and vehicles	241,262	226,967
Furniture and fixtures	175,947	174,584
	<u>4,051,870</u>	<u>4,024,485</u>
Less accumulated depreciation	<u>(1,293,365)</u>	<u>(1,188,903)</u>
	<u>\$ 2,758,505</u>	<u>\$ 2,835,582</u>

NOTE 6--ACCRUED EXPENSES

Accrued expenses consist of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Accrued salaries	\$ 9,670	\$ 7,737
Accrued earned time	20,369	20,026
	<u>\$ 30,039</u>	<u>\$ 27,763</u>

NOTE 7--DEFERRED INCOME

Deferred income of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Unearned Town appropriations	\$ 37,500	\$ 37,500
Customer prepays	-	1,868
	<u>\$ 37,500</u>	<u>\$ 39,368</u>

NOTE 8--NOTES PAYABLE

At June 30, 2017 and 2016, notes payable consists of the following:

	<u>2017</u>	<u>2016</u>
\$300,000 note payable, secured by property, payable in monthly installments of \$1,770 including interest through July 22, 2025. The variable interest rate on the note is 3.25% through July 22, 2014. Thereafter, the interest rate will change at least annually and be discounted based on the prime rate. The balance of the note is payable in full on July 22, 2025. The rate as of June 30, 2017 is 4.25%	<u>\$ 150,759</u>	<u>\$ 166,442</u>

Following are the maturities of the notes payable as of June 30, 2017:

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended June 30, 2017 and 2016

Year Ending <u>June 30,</u>	<u>Amount</u>
2018	\$ 16,242
2019	16,737
2020	17,463
2021	18,226
2022	19,833
Thereafter	<u>62,258</u>
	<u>\$ 150,759</u>

NOTE 9--TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following donor restricted funding at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Capital repairs	\$ 15,000	\$ 5,364
Food bank	5,725	5,725
Flower/Lawn maintenance	-	1,080
Kitchen upgrades	<u>709</u>	<u>643</u>
	<u>\$ 21,434</u>	<u>\$ 12,169</u>

NOTE 10--CONCENTRATION OF REVENUE RISK

During the years ended June 30, 2017 and 2016, the Organization received 33% (\$370,249) and 36% (\$353,111), respectively, of its revenues in the form of federal and state nutrition and transportation fees and grants from the State of New Hampshire.

The current nutrition and transportation grant agreement with the State of New Hampshire was extended through September 30, 2018. Revenue is recognized as earned under the terms of the contract on a reimbursement basis through submission of monthly claims reports.

NOTE 11--NEW HAMPSHIRE CHARITABLE FOUNDATION RESTRICTED FUND

The New Hampshire Charitable Foundation, owns, manages and controls funds which may be used for major acquisition and improvement to the Organization's facilities. Funds will be advanced only at the sole and absolute discretion of the Board of Trustees of the New Hampshire Charitable Foundation. The Organization does not have an independent right to demand payment or transfer funds on deposit with the New Hampshire Charitable Foundation.

Pursuant to FASB Accounting Standards Codification (FASB ASC 958-605) entitled "*Transfers of Assets to a Non-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others*", the financial activities of assets held by the New Hampshire Charitable Foundation are included in the consolidated financial statements of the Organization. Information is not available from the New Hampshire Charitable Foundation to report these assets by level classification for fair value reporting purposes.

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the Years Ended June 30, 2017 and 2016**

The change in asset values for funds held by the New Hampshire Charitable Foundation for the year ended June 30, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Balance at July 1	\$ 709,959	\$ 769,008
Dividend and interest income	3,513	5,535
Realized gain (loss) on investments	25,311	(2,297)
Unrealized gain (loss) on investments	<u>67,236</u>	<u>(26,153)</u>
	96,060	(22,915)
Investment fees and expenses	<u>6,961</u>	<u>6,550</u>
Total Return - net of investment fees	<u>89,099</u>	<u>(29,465)</u>
Distributions	<u>(30,058)</u>	<u>(29,584)</u>
Balance at June 30	<u>\$ 769,000</u>	<u>\$ 709,959</u>

NOTE 12--RELATED PARTY TRANSACTIONS

The Gibson Center for Senior Services, Inc. has a management agreement with Silver Lake Senior Housing Corporation, its affiliate. The total fees received by the Gibson Center for Senior Services, Inc. from its affiliate were \$21,000 and \$20,000 for the years ended June 30, 2017 and 2016, respectively.

NOTE 13--CONTINGENCIES

Grants require fulfillment of certain conditions as set forth in the terms of the grant. Failure to fulfill grant conditions could result in the return of the funds to grantors. Although that is a possibility, the Board deems the contingency remote, since by accepting the gifts and their applicable terms it has accommodated the objectives of the Organization to the provisions of the gift.

In the year ended June 30, 2000, the Organization was the recipient of a \$500,000 Community Development Block Grant as a "Target of Assistance" passed through the Town of Conway, New Hampshire. The terms of the grant contain several requirements, including restrictions on the resale of the property for a period of up to twenty years after completion of the grant. Should the Organization fail to comply with the terms of the grant, they may be subject to repayment of the funds.

NOTE 14--SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 19, 2017, which is the date the consolidated financial statements were available to be issued.

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2017**

	<u>Gibson Center for Senior Services, Inc.</u>	<u>Silver Lake Senior Housing Corporation</u>	<u>Eliminations</u>	<u>Consolidated Totals</u>
ASSETS				
Cash and cash equivalents	\$ 162,979	\$ 101,353		\$ 264,332
Investments	156,738			156,738
Accounts receivable	49,845	1,815		51,660
Prepaid expenses	14,628	14,614		29,242
Inventory		2,397		2,397
Investment in affiliate	1,485,458		\$ (1,485,458)	-
Deposits	250	7,538		7,788
Property and equipment, net	1,432,316	1,326,189		2,758,505
New Hampshire Charitable Foundation Restricted Fund	<u>769,000</u>			<u>769,000</u>
TOTAL ASSETS	<u>\$ 4,071,214</u>	<u>\$ 1,453,906</u>	<u>\$ (1,485,458)</u>	<u>\$ 4,039,662</u>
LIABILITIES AND NET ASSETS				
LIABILITIES:				
Accounts payable	\$ 18,960	\$ 3,972		\$ 22,932
Accrued expenses	30,039			30,039
Deferred income	37,500			37,500
Security deposit payable		11,662		11,662
Mortgage note payable		150,759		150,759
TOTAL LIABILITIES	<u>86,499</u>	<u>166,393</u>	<u>\$ -</u>	<u>252,892</u>
NET ASSETS:				
Unrestricted:				
Undesignated	3,146,900	1,287,513	(1,485,458)	2,948,955
Board restricted for capital acquisitions	816,381			816,381
Temporarily restricted	21,434			21,434
TOTAL NET ASSETS	<u>3,984,715</u>	<u>1,287,513</u>	<u>(1,485,458)</u>	<u>3,786,770</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,071,214</u>	<u>\$ 1,453,906</u>	<u>\$ (1,485,458)</u>	<u>\$ 4,039,662</u>

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2016**

	Gibson Center for Senior Services, Inc.	Silver Lake Senior Housing Corporation	Eliminations	Consolidated Totals
ASSETS				
Cash and cash equivalents	\$ 151,367	\$ 76,367		\$ 227,734
Investments	105,415			105,415
Accounts receivable	68,042			68,042
Prepaid expenses	17,468	20,355		37,823
Inventory		2,397		2,397
Investment in affiliate	1,485,458		\$ (1,485,458)	-
Deposits	500			500
Property and equipment, net New Hampshire Charitable Foundation Restricted Fund	1,471,500	1,364,082		2,835,582
	<u>709,959</u>			<u>709,959</u>
TOTAL ASSETS	<u>\$ 4,009,709</u>	<u>\$ 1,463,201</u>	<u>\$ (1,485,458)</u>	<u>\$ 3,987,452</u>
LIABILITIES AND NET ASSETS				
LIABILITIES:				
Accounts payable	\$ 11,612	\$ 8,961		\$ 20,573
Accrued expenses	27,763			27,763
Deferred income	39,368			39,368
Security deposit payable		10,903		10,903
Mortgage note payable		166,442		166,442
TOTAL LIABILITIES	<u>78,743</u>	<u>186,306</u>	<u>\$ -</u>	<u>265,049</u>
NET ASSETS:				
Unrestricted:				
Undesignated	3,101,773	1,276,895	(1,485,458)	2,893,210
Board restricted for capital acquisitions	816,381			816,381
Temporarily restricted	12,812			12,812
TOTAL NET ASSETS	<u>3,930,966</u>	<u>1,276,895</u>	<u>(1,485,458)</u>	<u>3,722,403</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,009,709</u>	<u>\$ 1,463,201</u>	<u>\$ (1,485,458)</u>	<u>\$ 3,987,452</u>

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017**

	Gibson Center for Senior Services, Inc.	Silver Lake Senior Housing Corporation	Eliminations	Consolidated Totals
CHANGES IN UNRESTRICTED NET ASSETS:				
Fees and grants from governmental agencies	\$ 355,249			\$ 355,249
Town appropriations	50,000			50,000
Contributions	224,342	\$ 25,600		249,942
Fund raising	140,701			140,701
Rental income	7,500	155,900		163,400
Interest and dividend income	4,839	392		5,231
Other income	64,972	4,220	\$ (21,000)	48,192
Net unrealized and realized (losses) on investments	92,547			92,547
TOTAL OPERATING REVENUES AND GAINS	<u>940,150</u>	<u>186,112</u>	<u>(21,000)</u>	<u>1,105,262</u>
NET ASSETS RELEASED FROM RESTRICTIONS:				
Satisfaction of donor restrictions	11,378			11,378
TOTAL NET ASSETS RELEASED FROM RESTRICTIONS	<u>11,378</u>	<u>-</u>	<u>-</u>	<u>11,378</u>
TOTAL OPERATING REVENUES AND GAINS AND OTHER SUPPORT	<u>951,528</u>	<u>186,112</u>	<u>(21,000)</u>	<u>1,116,640</u>
OPERATING EXPENSES:				
PROGRAM SERVICES:				
Nutrition	426,138			426,138
Transportation	107,375			107,375
Social and Educational	105,901			105,901
Total Program Services	<u>639,414</u>	<u>-</u>	<u>-</u>	<u>639,414</u>
SUPPORTING SERVICES:				
Management and general	126,678	175,494	(21,000)	281,172
Fund raising	140,310			140,310
Total Supporting Services	<u>266,988</u>	<u>175,494</u>	<u>(21,000)</u>	<u>421,482</u>
TOTAL OPERATING EXPENSES	<u>906,402</u>	<u>175,494</u>	<u>(21,000)</u>	<u>1,060,896</u>
INCREASE IN UNRESTRICTED NET ASSETS FROM OPERATIONS	<u>45,126</u>	<u>10,618</u>	<u>-</u>	<u>55,744</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:				
Grants	20,001			20,001
Net assets released from restrictions	(11,378)			(11,378)
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>8,623</u>	<u>-</u>	<u>-</u>	<u>8,623</u>
INCREASE IN NET ASSETS	53,749	10,618	-	64,367
NET ASSETS, July 1	<u>3,930,966</u>	<u>1,276,895</u>	<u>(1,485,458)</u>	<u>3,722,403</u>
NET ASSETS, June 30	<u>\$ 3,984,715</u>	<u>\$ 1,287,513</u>	<u>\$ (1,485,458)</u>	<u>\$ 3,786,770</u>

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

	Gibson Center for Senior Services, Inc.	Silver Lake Senior Housing Corporation	Eliminations	Consolidated Totals
CHANGES IN UNRESTRICTED NET ASSETS:				
Fees and grants from governmental agencies	\$ 353,111			\$ 353,111
Town appropriations	50,000			50,000
Contributions	206,338	\$ 3,600		209,938
Fund raising	156,243			156,243
Rental income	7,500	153,285		160,785
Interest and dividend income	6,452	383		6,835
Other income	66,818	5,153	\$ (20,000)	51,971
Net unrealized and realized (losses) on investments	(28,450)			(28,450)
TOTAL OPERATING REVENUES AND GAINS	<u>818,012</u>	<u>162,421</u>	<u>(20,000)</u>	<u>960,433</u>
NET ASSETS RELEASED FROM RESTRICTIONS:				
Satisfaction of donor restrictions	12,793			12,793
TOTAL NET ASSETS RELEASED FROM RESTRICTIONS	<u>12,793</u>	<u>-</u>	<u>-</u>	<u>12,793</u>
TOTAL OPERATING REVENUES AND GAINS AND OTHER SUPPORT	<u>830,805</u>	<u>162,421</u>	<u>(20,000)</u>	<u>973,226</u>
OPERATING EXPENSES:				
PROGRAM SERVICES:				
Nutrition	422,990			422,990
Transportation	107,416			107,416
Social and Educational	103,910			103,910
Total Program Services	<u>634,316</u>	<u>-</u>	<u>-</u>	<u>634,316</u>
SUPPORTING SERVICES:				
Management and general	122,353	167,244	(20,000)	269,597
Fund raising	141,072			141,072
Total Supporting Services	<u>263,425</u>	<u>167,244</u>	<u>(20,000)</u>	<u>410,669</u>
TOTAL OPERATING EXPENSES	<u>897,741</u>	<u>167,244</u>	<u>(20,000)</u>	<u>1,044,985</u>
(DECREASE) IN UNRESTRICTED NET ASSETS FROM OPERATIONS	<u>(66,936)</u>	<u>(4,823)</u>	<u>-</u>	<u>(71,759)</u>
OTHER CHANGES:				
Insurance claim proceeds	25,813			25,813
Insured damages	(26,813)			(26,813)
TOTAL OTHER CHANGES	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>
(DECREASE) IN UNRESTRICTED NET ASSETS	<u>(67,936)</u>	<u>(4,823)</u>	<u>-</u>	<u>(72,759)</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:				
Contributions	13,100			13,100
Net assets released from restrictions	(12,793)			(12,793)
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>307</u>	<u>-</u>	<u>-</u>	<u>307</u>
(DECREASE) IN NET ASSETS	<u>(67,629)</u>	<u>(4,823)</u>	<u>-</u>	<u>(72,452)</u>
NET ASSETS, July 1	<u>3,998,595</u>	<u>1,281,718</u>	<u>(1,485,458)</u>	<u>3,794,855</u>
NET ASSETS, June 30	<u>\$ 3,930,966</u>	<u>\$ 1,276,895</u>	<u>\$ (1,485,458)</u>	<u>\$ 3,722,403</u>

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2017

Gibson Center for Senior Services, Inc.:

	Program Services			Total Program Services	Supporting Services			Total Expenses
	Nutrition	Transportation	Social and Educational		Management and General	Fund Raising	Total Supporting Services	
Salaries and wages	\$ 225,675	\$ 59,758	\$ 56,960	\$ 342,393	\$ 23,665	\$ 85,860	\$ 109,525	\$ 451,918
Payroll taxes	16,988	4,617	4,082	25,687	1,758	6,435	8,193	33,880
Employee benefits	39,996	7,036	13,966	60,998	8,971	19,331	28,302	89,300
Total Salaries and Related Expenses	282,659	71,411	75,008	429,078	34,394	111,626	146,020	575,098
Food	63,483	-	-	63,483	-	-	-	63,483
Direct program expenses	14,854	857	28,125	43,836	210	14,705	14,915	58,751
Vehicle expenses	-	22,043	-	22,043	-	-	-	22,043
Travel	9,293	65	-	9,358	244	738	982	10,340
Conferences and training	836	308	-	1,144	-	175	175	1,319
Insurance	9,378	2,466	362	12,206	3,904	362	4,266	16,472
Telephone	604	228	228	1,060	228	228	456	1,516
Professional services	5,187	1,478	1,478	8,143	1,478	1,478	2,956	11,099
Postage	209	-	-	209	386	158	544	753
Office expenses	3,316	762	700	4,778	1,514	2,808	4,322	9,100
Public relations/communications	348	31	-	379	-	1,366	1,366	1,745
Special events	-	-	-	-	-	6,666	6,666	6,666
Utilities	14,703	3,003	-	17,706	4,992	-	4,992	22,698
Repairs and maintenance	21,268	4,396	-	25,664	13,162	-	13,162	38,826
Foundation and investment expenses	-	-	-	-	6,960	-	6,960	6,960
Total Expenses Before Depreciation	426,138	107,048	105,901	639,087	67,472	140,310	207,782	846,869
Depreciation expense	-	327	-	327	59,206	-	59,206	59,533
Total Expenses	\$ 426,138	\$ 107,375	\$ 105,901	\$ 639,414	\$ 126,678	\$ 140,310	\$ 266,988	\$ 906,402

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
For the Year Ended June 30, 2017

Silver Lake Senior Housing Corporation:

	Program Services			Supporting Services				Total Expenses
	<u>Nutrition</u>	<u>Transportation</u>	<u>Social and Educational</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll taxes	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-
Total Salaries and Related Expenses	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-
Direct program expenses	-	-	-	-	-	-	-	-
Vehicle expenses	-	-	-	-	-	-	-	-
Travel	-	-	-	-	714	-	714	714
Conferences and training	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	11,277	-	11,277	11,277
Telephone	-	-	-	-	504	-	504	504
Professional services	-	-	-	-	4,299	-	4,299	4,299
Postage	-	-	-	-	47	-	47	47
Office expenses	-	-	-	-	679	-	679	679
Public relations/communications	-	-	-	-	-	-	-	-
Special events	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	29,247	-	29,247	29,247
Repairs and maintenance	-	-	-	-	39,037	-	39,037	39,037
Advertising	-	-	-	-	-	-	-	-
Management fees	-	-	-	-	21,000	-	21,000	21,000
Interest expense	-	-	-	-	5,954	-	5,954	5,954
Payments in lieu of real estate taxes	-	-	-	-	14,763	-	14,763	14,763
Total Expenses Before Depreciation	-	-	-	-	127,521	-	127,521	127,521
Depreciation expense	-	-	-	-	47,973	-	47,973	47,973
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ 175,494	\$ -	\$ 175,494	\$ 175,494

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
For the Year Ended June 30, 2017

Eliminations:

	Program Services			Supporting Services			Total Expenses
	<u>Nutrition</u>	<u>Transportation</u>	<u>Social and Educational</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll taxes	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Total Salaries and Related Expenses	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-
Direct program expenses	-	-	-	-	-	-	-
Vehicle expenses	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Conferences and training	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Professional services	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-
Office expenses	-	-	-	-	-	-	-
Public relations/communications	-	-	-	-	-	-	-
Special events	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-
Real estate taxes	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Foundation and investment expenses	-	-	-	-	-	-	-
Management fees	-	-	-	-	(21,000)	-	(21,000)
Interest expense	-	-	-	-	-	-	-
Payments in lieu of real estate taxes	-	-	-	-	-	-	-
Total Expenses Before Depreciation	-	-	-	-	(21,000)	-	(21,000)
Depreciation expense	-	-	-	-	-	-	-
Total Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,000)</u>	<u>\$ -</u>	<u>\$ (21,000)</u>

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
For the Year Ended June 30, 2017

Consolidated Totals:

	Program Services			Total Program Services	Supporting Services			Total Expenses
	Nutrition	Transportation	Social and Educational		Management and General	Fund Raising	Total Supporting Services	
Salaries and wages	\$ 225,675	\$ 59,758	\$ 56,960	\$ 342,393	\$ 23,665	\$ 85,860	\$ 109,525	\$ 451,918
Payroll taxes	16,988	4,617	4,082	25,687	1,758	6,435	8,193	33,880
Employee benefits	39,996	7,036	13,966	60,998	8,971	19,331	28,302	89,300
Total Salaries and Related Expenses	282,659	71,411	75,008	429,078	34,394	111,626	146,020	575,098
Food	63,483	-	-	63,483	-	-	-	63,483
Direct program expenses	14,854	857	28,125	43,836	210	14,705	14,915	58,751
Vehicle expense	-	22,043	-	22,043	-	-	-	22,043
Travel	9,293	65	-	9,358	958	738	1,696	11,054
Conferences and training	836	308	-	1,144	-	175	175	1,319
Insurance	9,378	2,466	362	12,206	15,181	362	15,543	27,749
Telephone	604	228	228	1,060	732	228	960	2,020
Professional services	5,187	1,478	1,478	8,143	5,777	1,478	7,255	15,398
Postage	209	-	-	209	433	158	591	800
Public relations/communications	348	31	-	379	-	1,366	1,366	1,745
Special events	-	-	-	-	-	6,666	6,666	6,666
Utilities	14,703	3,003	-	17,706	34,239	-	34,239	51,945
Repairs and maintenance	21,268	4,396	-	25,664	52,199	-	52,199	77,863
Advertising	-	-	-	-	-	-	-	-
Foundation and investment expenses	-	-	-	-	6,960	-	6,960	6,960
Management fees	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	5,954	-	5,954	5,954
Payments in lieu of real estate taxes	-	-	-	-	14,763	-	14,763	14,763
Total Expenses Before Depreciation	426,138	107,048	105,901	639,087	173,993	140,310	314,303	953,390
Depreciation expense	-	327	-	327	107,179	-	107,179	107,506
Total Expenses	\$ 426,138	\$ 107,375	\$ 105,901	\$ 639,414	\$ 281,172	\$ 140,310	\$ 421,482	\$ 1,060,896

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2016

Gibson Center for Senior Services, Inc.:

	Program Services				Supporting Services			
	<u>Nutrition</u>	<u>Transportation</u>	<u>Social and Educational</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	<u>Total Expenses</u>
Salaries and wages	\$ 221,663	\$ 58,078	\$ 55,930	\$ 335,671	\$ 28,681	\$ 83,233	\$ 111,914	\$ 447,585
Payroll taxes	16,462	4,282	4,029	24,773	1,666	6,108	7,774	32,547
Employee benefits	47,951	7,035	13,865	68,851	5,583	19,391	24,974	93,825
Total Salaries and Related Expenses	286,076	69,395	73,824	429,295	35,930	108,732	144,662	573,957
Food	62,767	-	-	62,767	-	-	-	62,767
Direct program expenses	13,907	587	26,998	41,492	197	14,168	14,365	55,857
Vehicle expenses	-	16,036	-	16,036	-	-	-	16,036
Travel	8,920	22	-	8,942	303	702	1,005	9,947
Conferences and training	270	99	-	369	-	-	-	369
Insurance	9,144	2,407	362	11,913	3,813	362	4,175	16,088
Telephone	744	300	262	1,306	1,341	281	1,622	2,928
Professional services	5,485	1,588	1,588	8,661	1,588	9,913	11,501	20,162
Postage	264	8	-	272	441	51	492	764
Office expenses	4,263	807	876	5,946	2,515	2,115	4,630	10,576
Public relations/communications	-	47	-	47	-	1,837	1,837	1,884
Special events	-	-	-	-	-	2,911	2,911	2,911
Utilities	14,956	3,040	-	17,996	4,868	-	4,868	22,864
Repairs and maintenance	16,194	3,701	-	19,895	9,573	-	9,573	29,468
Foundation and investment expenses	-	-	-	-	6,550	-	6,550	6,550
Total Expenses Before Depreciation	422,990	98,037	103,910	624,937	67,119	141,072	208,191	833,128
Depreciation expense	-	9,379	-	9,379	55,234	-	55,234	64,613
Total Expenses	<u>\$ 422,990</u>	<u>\$ 107,416</u>	<u>\$ 103,910</u>	<u>\$ 634,316</u>	<u>\$ 122,353</u>	<u>\$ 141,072</u>	<u>\$ 263,425</u>	<u>\$ 897,741</u>

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
For the Year Ended June 30, 2016

Silver Lake Senior Housing Corporation:

	Program Services			Total Program Services	Supporting Services			Total Expenses
	Nutrition	Transportation	Social and Educational		Management and General	Fund Raising	Total Supporting Services	
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll taxes	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-
Total Salaries and Related Expenses	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-
Direct program expenses	-	-	-	-	-	-	-	-
Vehicle expenses	-	-	-	-	-	-	-	-
Travel	-	-	-	-	642	-	642	642
Conferences and training	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	11,248	-	11,248	11,248
Telephone	-	-	-	-	501	-	501	501
Professional services	-	-	-	-	4,429	-	4,429	4,429
Postage	-	-	-	-	-	-	-	-
Office expenses	-	-	-	-	497	-	497	497
Public relations/communications	-	-	-	-	-	-	-	-
Special events	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	32,952	-	32,952	32,952
Repairs and maintenance	-	-	-	-	26,788	-	26,788	26,788
Advertising	-	-	-	-	-	-	-	-
Management fees	-	-	-	-	20,000	-	20,000	20,000
Interest expense	-	-	-	-	5,993	-	5,993	5,993
Payments in lieu of real estate taxes	-	-	-	-	14,439	-	14,439	14,439
Total Expenses Before Depreciation	-	-	-	-	117,489	-	117,489	117,489
Depreciation expense	-	-	-	-	49,755	-	49,755	49,755
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ 167,244	\$ -	\$ 167,244	\$ 167,244

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
For the Year Ended June 30, 2016

Eliminations:

	Program Services			Supporting Services				
	<u>Nutrition</u>	<u>Transportation</u>	<u>Social and Educational</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	<u>Total Expenses</u>
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll taxes	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-
Total Salaries and Related Expenses	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-
Direct program expenses	-	-	-	-	-	-	-	-
Vehicle expenses	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-
Conferences and training	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-
Professional services	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-
Office expenses	-	-	-	-	-	-	-	-
Public relations/communications	-	-	-	-	-	-	-	-
Special events	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-
Real estate taxes	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-
Foundation and investment expenses	-	-	-	-	-	-	-	-
Management fees	-	-	-	-	(20,000)	-	(20,000)	(20,000)
Interest expense	-	-	-	-	-	-	-	-
Payments in lieu of real estate taxes	-	-	-	-	-	-	-	-
Total Expenses Before Depreciation	-	-	-	-	(20,000)	-	(20,000)	(20,000)
Depreciation expense	-	-	-	-	-	-	-	-
Total Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,000)</u>	<u>\$ -</u>	<u>\$ (20,000)</u>	<u>\$ (20,000)</u>

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
For the Year Ended June 30, 2016

Consolidated Totals:

	Program Services			Total Program Services	Supporting Services			Total Expenses
	Nutrition	Transportation	Social and Educational		Management and General	Fund Raising	Total Supporting Services	
Salaries and wages	\$ 221,663	\$ 58,078	\$ 55,930	\$ 335,671	\$ 28,681	\$ 83,233	\$ 111,914	\$ 447,585
Payroll taxes	16,462	4,282	4,029	24,773	1,666	6,108	7,774	32,547
Employee benefits	47,951	7,035	13,865	68,851	5,583	19,391	24,974	93,825
Total Salaries and Related Expenses	286,076	69,395	73,824	429,295	35,930	108,732	144,662	573,957
Food	62,767	-	-	62,767	-	-	-	62,767
Direct program expenses	13,907	587	26,998	41,492	197	14,168	14,365	55,857
Vehicle expense	-	16,036	-	16,036	-	-	-	16,036
Travel	8,920	22	-	8,942	945	702	1,647	10,589
Conferences and training	270	99	-	369	-	-	-	369
Insurance	9,144	2,407	362	11,913	15,061	362	15,423	27,336
Telephone	744	300	262	1,306	1,842	281	2,123	3,429
Professional services	5,485	1,588	1,588	8,661	6,017	9,913	15,930	24,591
Postage	264	8	-	272	441	51	492	764
Public relations/communications	-	47	-	47	-	1,837	1,837	1,884
Special events	-	-	-	-	-	2,911	2,911	2,911
Utilities	14,956	3,040	-	17,996	37,820	-	37,820	55,816
Repairs and maintenance	16,194	3,701	-	19,895	36,361	-	36,361	56,256
Advertising	-	-	-	-	-	-	-	-
Foundation and investment expenses	-	-	-	-	6,550	-	6,550	6,550
Management fees	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	5,993	-	5,993	5,993
Payments in lieu of real estate taxes	-	-	-	-	14,439	-	14,439	14,439
Total Expenses Before Depreciation	422,990	98,037	103,910	624,937	164,608	141,072	305,680	930,617
Depreciation expense	-	9,379	-	9,379	104,989	-	104,989	114,368
Total Expenses	<u>\$ 422,990</u>	<u>\$ 107,416</u>	<u>\$ 103,910</u>	<u>\$ 634,316</u>	<u>\$ 269,597</u>	<u>\$ 141,072</u>	<u>\$ 410,669</u>	<u>\$ 1,044,985</u>

GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2017

	Gibson Center for Senior Services, Inc.	Silver Lake Senior Housing Corporation	Eliminations	Consolidated Totals
Cash Flows From Operating Activities:				
Cash received from grants and contributions	\$ 666,171			\$ 666,171
Interest income received	1,326			1,326
Other income received	192,173	\$ 185,056		377,229
Management fees received from affiliate	21,000		\$ (21,000)	-
Cash paid to employees	(448,958)			(448,958)
Cash paid to suppliers	(378,486)	(92,590)		(471,076)
Payments in lieu of tax		(14,763)		(14,763)
Interest paid		(5,954)		(5,954)
Cash paid for management fees to affiliate		(21,000)	21,000	-
Net Cash Provided by Operating Activities	<u>53,226</u>	<u>50,749</u>	<u>-</u>	<u>103,975</u>
Cash Flows From Investing Activities:				
Distributions from New Hampshire Charitable Foundation	30,058			30,058
Purchase of investments	(51,323)			(51,323)
Purchases of property and equipment	(20,349)	(10,080)		(30,429)
Net Cash (Used) by Investing Activities	<u>(41,614)</u>	<u>(10,080)</u>	<u>-</u>	<u>(51,694)</u>
Cash Flows From Financing Activities:				
Payments on notes payable		(15,683)		(15,683)
Net Cash (Used) by Financing Activities	<u>-</u>	<u>(15,683)</u>	<u>-</u>	<u>(15,683)</u>
Net increase in cash and cash equivalents	11,612	24,986	-	36,598
Cash and cash equivalents, July 1	<u>151,367</u>	<u>76,367</u>	<u>-</u>	<u>227,734</u>
Cash and cash equivalents, June 30	<u>\$ 162,979</u>	<u>\$ 101,353</u>	<u>\$ -</u>	<u>\$ 264,332</u>
Reconciliation of (Decrease) in Net Assets to Net Cash Provided by Operating Activities:				
Increase (Decrease) in net assets	\$ 53,749	\$ 10,618		\$ 64,367
Adjustments to Reconcile (Decrease) in Net Assets to Net Cash Provided by Operating Activities:				
Depreciation	59,533	47,973		107,506
Change in assets held by New Hampshire Charitable Foundation	(89,099)			(89,099)
(Increase) Decrease in accounts receivable	18,197	(1,815)		16,382
Decrease in prepaid expenses	2,840	5,741		8,581
Decrease (increase) in deposits	250	(7,538)		(7,288)
Increase (decrease) in accounts payable	7,348	(4,989)		2,359
Increase in accrued expenses	2,276			2,276
(Decrease) in deferred revenue	(1,868)			(1,868)
Increase in security deposit payable		759		759
Net Cash Provided by Operating Activities	<u>\$ 53,226</u>	<u>\$ 50,749</u>	<u>\$ -</u>	<u>\$ 103,975</u>

**GIBSON CENTER FOR SENIOR SERVICES, INC. AND AFFILIATE
CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2016**

	Gibson Center for Senior Services, Inc.	Silver Lake Senior Housing Corporation	Eliminations	Consolidated Totals
Cash Flows From Operating Activities:				
Cash received from grants and contributions	\$ 633,127			\$ 633,127
Interest income received	917			917
Other income received	210,561	\$ 163,147		373,708
Management fees received from affiliate	20,000		\$ (20,000)	-
Cash paid to employees	(436,467)			(436,467)
Cash paid to suppliers	(371,347)	(65,860)		(437,207)
Payments in lieu of tax		(14,439)		(14,439)
Interest paid		(5,993)		(5,993)
Cash paid for management fees to affiliate		(20,000)	20,000	-
Net Cash Provided by Operating Activities	<u>56,791</u>	<u>56,855</u>	<u>-</u>	<u>113,646</u>
Cash Flows From Investing Activities:				
Distributions from New Hampshire Charitable Foundation	29,584			29,584
Insurance proceeds	25,813			25,813
Insured damages	(26,813)			(26,813)
Purchase of investments	(692)			(692)
Purchases of property and equipment	(21,912)	(12,243)		(34,155)
Net Cash Provided (Used) by Investing Activities	<u>5,980</u>	<u>(12,243)</u>	<u>-</u>	<u>(6,263)</u>
Cash Flows From Financing Activities:				
Payments on notes payable		(15,360)		(15,360)
Net Cash (Used) by Financing Activities	<u>-</u>	<u>(15,360)</u>	<u>-</u>	<u>(15,360)</u>
Net increase in cash and cash equivalents	62,771	29,252	-	92,023
Cash and cash equivalents, July 1	<u>88,596</u>	<u>47,115</u>	<u>-</u>	<u>135,711</u>
Cash and cash equivalents, June 30	<u>\$ 151,367</u>	<u>\$ 76,367</u>	<u>\$ -</u>	<u>\$ 227,734</u>
Reconciliation of (Decrease) in Net Assets to Net Cash Provided by Operating Activities:				
(Decrease) in net assets	\$ (67,629)	\$ (4,823)		\$ (72,452)
Adjustments to Reconcile (Decrease) in Net Assets to Net Cash Provided by Operating Activities:				
Depreciation	64,613	49,755		114,368
Change in assets held by New Hampshire Charitable Foundation	29,465			29,465
Net loss on insurance claim	1,000			1,000
Changes in operating assets and liabilities:				
Decrease in accounts receivable	8,710			8,710
Decrease in contributions receivable	-			-
(Increase) Decrease in prepaid expenses	(1,393)	2,806		1,413
(Increase) in inventory		(191)		(191)
(Increase) in deposits				-
Increase in accounts payable	8,777	8,582		17,359
Increase in accrued expenses	11,380			11,380
Increase in deferred revenue	1,868			1,868
Increase in security deposit payable		726		726
Net Cash Provided by Operating Activities	<u>\$ 56,791</u>	<u>\$ 56,855</u>	<u>\$ -</u>	<u>\$ 113,646</u>