



FLICKINGER & CO., LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Windy Hill Senior Center, Inc.
Spring Grove, PA

We have reviewed the accompanying financial statements of Windy Hill Senior Center, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets – tax basis as of June 30, 2024, and the related statement of revenues, expenses, and change in net assets – tax basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the tax basis of accounting; this includes determining that the tax basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the tax basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Windy Hill Senior Center, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Qualified Conclusion

Based on our reviews we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the tax basis of accounting.

Required Supplemental Information

Management has elected to omit substantially the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted cash flow was included in the financial statements, they might influence the user's conclusions about the organization's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters,

Flickinger & Co., LLC

York, PA

October 21, 2024

WINDY HILL SENIOR CENTER, INC.
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - TAX BASIS
JUNE 30, 2024

ASSETS

CURRENT ASSETS

Cash	\$ 312,386
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INVESTMENTS

496,669

PROPERTY AND EQUIPMENT

Equipment	26,288
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Leasehold Improvements	62,299
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88,587

Less Accumulated Depreciation	(45,231)
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Net Property and Equipment	43,356
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OTHER ASSETS

Endowment Fund	77,375
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Total Assets	\$ 929,786
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Credit Card Payable	\$ 3,553
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Withheld Payroll Taxes	3,566
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Total Current Liabilities	7,119
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NET ASSETS WITHOUT DONOR RESTRICTIONS

922,667

Total Liabilities and Net Assets	\$ 929,786
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WINDY HILL SENIOR CENTER, INC.
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET ASSETS - TAX BASIS
FOR THE YEAR ENDED JUNE 30, 2024

SUPPORT AND REVENUE

Special Event Revenue	\$	99,103	
Less: Direct Expenses		(43,940)	
Net Revenue from Special Events			55,163
Program Services			171,991
Contributions of Cash and Other Financial Assets			393,469
Contributions of Nonfinancial Assets			15,325
Sponsorship Income			18,454
Investment Income			23,922
			678,324
Total Revenue and Other Support Without Donor Restrictions			678,324

EXPENSES

Program Expenses

Wages, Payroll Taxes, and Employee Benefits			53,904
Grant Expenses			109,384
Info Technology Expense			3,116
Advertising & Marketing			4,714
Scholarship			2,000
Insurance			3,057
Occupancy Expense			17,703
Professional Fees and Licenses			8,530
Depreciation			2,746
Miscellaneous			6,051
			211,205
Total Program Expenses			211,205

Management and General Expenses

Professional Fees and Licenses			7,914
Office Equipment and Supplies			11,509
Occupancy Expenses			1,967
Depreciation			1,476
Wages, Payroll Taxes, and Employee Benefits			159,873
Insurance			4,304
Conferences, Conventions, and Meetings			2,116
Miscellaneous			25,465
			214,624
Total Management and General Expenses			214,624

Fundraising Expenses

Wages, Payroll Taxes, and Employee Benefits			47,376
Professional Fees and Licenses			225
			47,601
Total Fundraising Expenses			47,601

Total Expenses Without Donor Restrictions			473,430
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UNREALIZED LOSS

Change in Net Assets Without Donor Restrictions			198,244
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NET ASSETS - BEGINNING OF THE YEAR			724,423
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NET ASSETS - END OF THE YEAR	\$		922,667
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WINDY HILL SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF ACCOUNTING POLICIES

1. Nature of Activities

Windy Hill Senior Center, Inc. (the Organization), is a 501(c)(3) incorporated in Pennsylvania for the purpose of providing a community facility where older adults can identify and fulfill many of their needs. The Organization is supported primarily through donor contributions, grants, and the York County Area Agency on Aging (YCAAA). Approximately 25% of the Organization's support for the year ended June 30, 2024 came from allocations from YCAAA.

2. Basis of Accounting

The Organization prepares its financial statements on the tax basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

3. Use of Estimates

The preparation of financial statements in conformity with the tax basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

4. Cash and Cash Equivalents

All highly liquid investments with original maturities of three months or less are considered to be cash equivalents. There were no cash equivalents at June 30, 2024.

5. Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the modified accelerated cost recovery system (MACRS) over the estimated useful lives of the individual assets:

Leasehold Improvements	39 years
Equipment	7 years

Expenditures for major renewals and betterments, which extend the useful lives of the existing assets, are capitalized and depreciated. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of property and equipment, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized on the Statement of Revenues, Expenses, and Change in Net Assets – Tax Basis.

Total depreciation expense for the year ended June 30, 2024 was \$4,222.

See Independent Accountants' Review Report.

WINDY HILL SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF ACCOUNTING POLICIES
- CONTINUED

6. Advertising

Advertising costs are expensed as incurred. Advertising costs were \$4,714 for the year ended June 30, 2024.

7. Asset Impairment

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Long-lived assets which are held and used in operations would be impaired if discounted future cash flows related to the asset did not exceed the net book value. If an asset is determined to be impaired, it is written down to its fair value.

8. Investments

Investments are reported at their face values in the statement of financial position. Unrealized gains and losses are included in the change in fund balance. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

9. Promises to Give

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 increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net asset with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

There were no promises receivable by the Organization as of June 30, 2024.

10. Donor Imposed Restrictions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as an increase in net assets with donor restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports that support as an increase in net assets without donor restrictions.

WINDY HILL SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF ACCOUNTING POLICIES
- CONTINUED

11. Contributed Services and Tangible Personal Property

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization at the facilities, but these services do not meet the criteria for recognition of contributed services. The Organization receives more than 1,000 volunteer hours per year.

12. Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

13. Cost Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation and occupancy, which are allocated on a square footage basis.

NOTE B – CASH AND CASH EQUIVALENTS

The following table provides a reconciliation of cash, cash equivalents, and restricted cash within the statement of financial position, as of June 30, 2024:

Checking	\$ 260,587
<u>Savings</u>	<u>51,799</u>
Cash	\$ 312,386

NOTE C - CONCENTRATION OF CREDIT RISKS

The Organization's cash balance in financial institutions, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) insured limits. The Organization has not experienced any losses and believes it is not exposed to any significant credit risk. The investments, referenced in Note G, totaling \$496,669 at June 30, 2024 are not insured or guaranteed by the FDIC or any other government agency.

WINDY HILL SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE D – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As part of the Organization’s liquidity management, it invests cash in excess of daily requirements in short-term investments and money market funds. The Organization’s financial assets at June 30, 2024 consist of cash (\$312,386), investments (\$496,669) and an endowment fund (\$77,375), none of which is held for restricted purposes, resulting in \$886,430 in financial assets available to support general expenditures in the coming year. That amount exceeds the average expenditures for the fiscal year, so the Organization has the ability to conduct its activities at a similar level for the coming year even if revenues decline.

NOTE E – BOARD DESIGNATED FUNDS

In August 2023, the Board approved the establishment of a Board designated fund. The purpose of the fund is to segregate monies for building renovations and improvements. Specific contributions are added to the fund each fiscal year. Interest and dividends, net advisory fees, are reinvested into the board designated fund.

The changes in net assets of the board designated fund consist of the following for the year ended June 30, 2024:

Contributions	\$ 140,214
Interest and Dividends	19,833
Net Unrealized Gain (Loss)	<u>(8,475)</u>
Increase in Net Assets of Board Designated Fund	<u>\$ 151,572</u>

NOTE F – ENDOWMENT FUND

The Organizations’ endowment fund was established in June 2011 with the York County Community Foundation. The fund was established with an initial contribution that has not been subjected to trust or other restrictions whether by its donors or otherwise, nor are such contributions required to be held permanently or for any designated purposes within the corporate or charter powers of the Organization. The distributions from the fund shall be used for the general support of Windy Hill Senior Center, Inc. The balance at June 30, 2024 was \$77,375.

NOTE G – RETIREMENT PLAN

The Organization has a defined contribution plan (the Plan) covering all employees who meet the eligibility requirements. The Organization contributes 3 percent of gross wages to match participants’ contributions. Total contributions to the Plan during the year ended June 30, 2024 was \$4,432.

WINDY HILL SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE H – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2024:

Equipment	\$ 26,288
Leasehold Improvements	<u>62,299</u>
	88,587
Accumulated Depreciation	<u>(45,231)</u>
Net Property and Equipment	\$ <u>43,356</u>

NOTE I – INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Organization holds short-term investments made up of excess operating cash. These short-term investments include one mutual fund held by Charles Schwab. Mutual funds are classified as marketable securities that are available for sale. These are carried at fair value based on quoted market prices. Realized gains and losses are determined using the average cost method and are included in investment revenues. Unrealized gains and losses are based on the difference between cost and fair value, and are reported in other comprehensive income.

Fair value measurement framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Assets and liabilities measured at fair value are categorized based on whether the inputs are observable in the market and the degree that the inputs are observable. The categorization of financial instruments within the valuation hierarchy is based on the lowest of input that is significant to the fair value measurement. The hierarchy is prioritized into three levels defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2: Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs.

The asset or liabilities 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.

See Independent Accountants' Review Report.

WINDY HILL SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE I – INVESTMENTS AND FAIR VALUE MEASUREMENTS - CONTINUED

There has been no change in the methodology used at June 30, 2024.

The fair values of the Organization’s investments by asset category at June 30, 2024 were as follows:

<u>Mutual Funds</u>	<u>Number of Shares</u>	<u>Level I Fair Value</u>
Schwab US Treasury Money	496,669	\$ 496,669

NOTE J – COMPENSATED ABSENCES

Employees of the Organization are entitled to paid vacation, paid sick days, and personal days off, depending on the job classification, length of service, and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Organization’s policy is to recognize the costs of compensated absences when actually paid to employees.

NOTE K – TANGIBLE PERSONAL PROPERTY

The following contributions of tangible personal property are included in “Contributions of Nonfinancial Assets” line on the statements of activities for the year ended June 30, 2024:

Food	\$ 6,027
Supplies	<u>9,298</u>
	\$ 15,325

NOTE L – REVENUE AND REVENUE RECOGNITION

We have analyzed the provisions of the FASB’s ASC Topic 606, *Revenue from Contracts with Customers*, and have concluded that no changes are necessary to conform with the new standard. The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performed or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

NOTE M – FUND-RAISING EXPENSE

Total fund-raising expense for the year ended June 30, 2024 was \$43,940 or 44% of the total annual campaign contribution revenue. The ratio of expenses to amounts raised is computed using actual expenses and related contributions on the tax basis method of accounting.

See Independent Accountants’ Review Report.

**WINDY HILL SENIOR CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE N - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 21, 2024, the date which the financial statements were available to be issued. No events have occurred which would have a material effect on the financial statements of the Organization as of that date.