GREATER HARLEYSVILLE AND NORTH PENN SENIOR SERVICES

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

(See Independent Auditors' Report)

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Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Greater Harleysville & North Penn Senior Services
Harleysville, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of Greater Harleysville & North Penn Senior Services (a non-profit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Harleysville & North Penn Senior Services as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Greater Harleysville & North Penn Senior Services' 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 16, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bee, Bergvall & Co.

Bee, Bergvall and Company, P.C.
Certified Public Accountants

Warrington, PA
November 9, 2016

GREATER HARLEYSVILLE & NORTH PENN SENIOR SERVICES

Statements of Financial Position

June 30, 2016 and 2015

ASSETS

	2016	2015
Assets		
Cash - Unrestricted	$ 255,845	$ 273,239
Cash - Restricted/Trips	3,589	5,365
Investments	22,735	22,270
Promises to Give	-	35,000
Other Assets	40,000	-
Notes Receivable	150,000	250,000
Property and Equipment, Net of Accumulated Depreciation	146,377	147,829
TOTAL ASSETS	$ 618,546	$ 733,703

LIABILITIES AND NET ASSETS

	2016	2015
Liabilities		
Accounts Payable and Accrued Expenses	$ 26,912	$ 56,508
Deferred Revenue	12,651	35,994
Total Liabilities	39,563	92,502
Net Assets		
Unrestricted	530,017	502,700
Unrestricted - Board Designated	22,735	22,270
Total Unrestricted	552,752	524,970
Temporarily Restricted	26,231	116,231
Total Net Assets	578,983	641,201
TOTAL LIABILITIES AND NET ASSETS	$ 618,546	$ 733,703

See independent auditors’ report and
accompanying notes to the financial statements

GREATER HARLEYSVILLE & NORTH PENN SENIOR SERVICES

Statements of Activities

For the Year Ended June 30, 2016
With Summarized Comparative Totals for the Year Ended June 30, 2015

	Unrestricted	Temporarily Restricted	2016 Total	6/30/2015
Support and Revenue				
Montgomery County Office on Aging and Adult Services	$ 347,712	$ -	$ 347,712	$ 316,116
Contributions and Grants	198,997	-	198,997	265,094
Special Events	49,305	-	49,305	62,870
Program Fees	80,020	-	80,020	71,627
Trip Program	6,863	-	6,863	16,863
Rental Program	4,488	-	4,488	4,370
Café Income	2,232	-	2,232	3,294
Investment Income	645	-	645	1,869
Gain (loss) on Sale of Assets	-	-	-	(489)
Other	9,214	-	9,214	11,403
Net Assets Released from Restrictions:				
Satisfaction of program restrictions	90,000	(90,000)	-	-
Total Support and Revenue	789,476	(90,000)	699,476	753,017
Expenses				
Program Service				
Congregate Meals	216,485	-	216,485	226,556
Center Services	212,813	-	212,813	206,087
Trip Costs	13,818	-	13,818	14,581
Volunteer	17,897	-	17,897	18,019
Transportation	17,801	-	17,801	17,507
Outreach	16,053	-	16,053	15,754
Information and Referral	83,389	-	83,389	82,967
Legal	13,786	-	13,786	13,575
Café Expenses - Direct	3,890	-	3,890	3,805
Total Program Services	595,932	-	595,932	598,851
Supporting Services				
Management and General	107,942	-	107,942	116,940
Fundraising	57,820	-	57,820	59,624
Total Supporting Services	165,762	-	165,762	176,564
Total Expenses	761,694	-	761,694	775,415
Change in Net Assets	27,782	(90,000)	(62,218)	(22,398)
Net Assets - Beginning of Year	524,970	116,231	641,201	663,599
Net Assets - End of Year	$ 552,752	$ 26,231	$ 578,983	$ 641,201

See independent auditors' report and
accompanying notes to the financial statements

GREATER HARLEYSVILLE & NORTH PENN SENIOR SERVICES

Statements of Functional Expenses

For the Year Ended June 30, 2016
With Summarized Comparative Totals for the Year Ended June 30, 2015

	Program Expenses									
	Congregate Meals	Center Services	Trip Costs	Volunteer	Transpor- tation	Outreach	Information & Referral	Legal	Café' Expense Direct	Total Program
PERSONNEL COSTS:										
Salaries and Wages	$ 42,458	$ 97,979	$ -	$ 13,064	$ 13,064	$ 9,798	$ 58,787	$ 9,798	$ 3,266	$ 248,214
Employee Benefits	4,640	10,707	-	1,428	1,428	1,071	6,424	1,071	357	27,126
Payroll Taxes	3,271	7,549	-	1,007	1,007	755	4,530	755	252	19,126
Payroll Processing	197	455	-	61	61	45	273	45	15	1,152
Total Personnel Expenses	50,566	116,690	-	15,560	15,560	11,669	70,014	11,669	3,890	295,618
MEAL COSTS:										
Congregate Meal Expense	119,240	-	-	-	-	-	-	-	-	119,240
Meal Supplies	8,063	-	-	-	-	-	-	-	-	8,063
Kitchen Supplies	2,617	-	-	-	-	-	-	-	-	2,617
Total Meal Costs	129,920	-	-	-	-	-	-	-	-	129,920
OCCUPANCY COSTS:										
Utilities	4,383	-	-	-	-	-	-	-	-	4,383
Maintenance	-	1,127	1,126	-	-	-	-	-	-	2,253
Building and Land Rental	-	-	-	-	-	-	-	-	-	-
Other Occupancy Costs	-	-	-	-	-	-	-	-	-	-
Total Occupancy Costs	4,383	1,127	1,126	-	-	-	-	-	-	6,636
COMMUNICATION COSTS:										
Telephone	-	3,213	-	-	-	-	1,606	-	-	4,819
Internet	79	1,191	-	79	79	79	-	-	-	1,507
Webpage	213	213	-	-	-	-	213	-	-	639
Postage	-	1,018	-	-	-	-	509	-	-	1,527
Newsletter	45	682	-	45	45	45	-	-	-	862
Total Communication Costs	337	6,317	-	124	124	124	2,328	-	-	9,354
SUPPLIES & MINOR EQUIP:										
Equipment Maintenance/Repair	437	4,372	-	-	-	656	1,093	-	-	6,558
Rented Equipment	-	2,150	-	-	-	538	538	-	-	3,226
Supplies	832	831	-	-	-	-	-	-	-	1,663
Total Supplies & Minor Equipment	1,269	7,353	-	-	-	1,194	1,631	-	-	11,447
TRANSPORTATION COSTS:										
Staff Travel	-	-	-	-	-	223	223	-	-	446
Total Transportation Costs	-	-	-	-	-	223	223	-	-	446
CONTRACTED SERVICES:										
Exterminator	485	485	-	-	-	-	-	-	-	970
Trash Removal	1,583	1,582	-	-	-	-	-	-	-	3,165
Cleaning Service	9,599	9,600	-	-	-	-	-	-	-	19,199
Building Supervision	-	-	-	-	-	-	-	-	-	-
Auditing	-	-	-	-	-	-	-	-	-	-
Program Services	-	8,309	-	-	-	-	-	-	-	8,309
Program Consultants	-	30,643	-	-	-	-	-	-	-	30,643
Total Contracted Services	11,667	50,619	-	-	-	-	-	-	-	62,286
OTHER OPERATING COSTS:										
Advertising/Public Relations	-	42	-	-	-	21	21	-	-	84
Association Dues/Memberships	-	704	-	-	-	-	-	-	-	704
Printing	-	8,794	-	-	-	-	-	-	-	8,794
Volunteer Costs	-	-	-	802	-	-	-	-	-	802
Conferences & Training	-	-	-	-	-	-	-	-	-	-
Special Events	-	-	-	-	-	-	-	-	-	-
D&O Liability Insurance	-	-	-	-	-	-	-	-	-	-
Trip Expense	-	-	12,692	-	-	-	-	-	-	12,692
Depreciation	-	-	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-	-	-
Total Other Operating Costs	-	9,540	12,692	802	-	21	21	-	-	23,076
Total Operating Costs	198,142	191,646	13,818	16,486	15,684	13,231	74,217	11,669	3,890	538,783
Allocation of Building Costs	18,343	21,167	-	1,411	2,117	2,822	9,172	2,117	-	57,149
Total	$ 216,485	$ 212,813	$ 13,818	$ 17,897	$ 17,801	$ 16,053	$ 83,389	$ 13,786	$ 3,890	$ 595,932

Supporting Services				
Administration	Building Costs	Fundraising	2016 Total	2015 Total
$ 52,256	$ -	$ 26,128	$ 326,598	$ 315,180
5,709	-	2,855	35,690	39,623
4,028	-	2,013	25,167	24,108
242	-	121	1,515	1,630
62,235	-	31,117	388,970	380,541
-	-	-	119,240	129,144
-	-	-	8,063	7,960
-	-	-	2,617	2,491
-	-	-	129,920	139,595
-	13,879	-	18,262	19,203
-	-	-	2,253	2,133
-	37,409	-	37,409	37,010
-	6,274	-	6,274	6,484
-	57,562	-	64,198	64,830
1,606	-	-	6,425	5,577
-	-	79	1,586	1,366
212	-	-	851	7,283
-	-	509	2,036	660
-	-	45	907	1,179
1,818	-	633	11,805	16,065
3,279	-	1,093	10,930	10,022
2,150	-	-	5,376	4,980
-	-	-	1,663	2,071
5,429	-	1,093	17,969	17,073
221	-	223	890	714
221	-	223	890	714
-	-	-	970	474
-	-	-	3,165	3,293
-	-	-	19,199	17,807
-	-	-	-	95
9,000	-	-	9,000	10,000
-	-	-	8,309	7,773
-	-	-	30,643	30,080
9,000	-	-	71,286	69,522
-	-	-	84	220
704	-	-	1,408	800
212	-	-	9,006	6,406
-	-	-	802	1,232
1,083	-	-	1,083	533
-	-	16,512	16,512	19,176
2,774	-	-	2,774	1,175
-	-	-	12,692	13,515
10,394	12,993	2,598	25,985	27,746
6,310	-	-	6,310	16,272
21,477	12,993	19,110	76,656	87,075
100,180	70,555	52,176	761,694	775,415
7,762	(70,555)	5,644	-	-
$ 107,942	$ -	$ 57,820	$ 761,694	$ 775,415

See independent auditors' report and
accompanying notes to the financial statements

GREATER HARLEYSVILLE & NORTH PENN SENIOR SERVICES

Statements of Cash Flows

June 30, 2016 and 2015

	2016	2015
Cash Flows from Operating Activities:		
Increase (decrease) in net assets	$ (62,218)	$ (22,398)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation	25,985	27,746
Loss (gain) on disposal of assets	-	489
Unrealized (gain) loss	(447)	-
Change in assets and liabilities:		
(Increase) decrease in:		
Promises to give	35,000	50,000
Prepaid expenses	(40,000)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	(29,596)	9,260
Deferred income	(21,567)	(6,392)
Net Cash Provided by (Used in) Operating Activities	(92,843)	58,705
Cash Flows from Investing Activities:		
Purchases of fixed assets	(24,533)	(2,500)
Purchases of investments	(18)	(1,618)
Net Cash Provided by (Used in) Investing Activities	(24,551)	(4,118)
Cash Flows from Financing Activities:		
Note receivable payments	100,000	-
Net Cash Provided by (Used in) Financing Activities	100,000	-
Net Increase (Decrease) in Cash	(17,394)	54,587
Cash - Beginning of Year	273,239	218,652
Cash - End of Year	$ 255,845	$ 273,239

See independent auditors’ report and
accompanying notes to the financial statements

NOTE 1. Organization

The Greater Harleysville & North Penn Senior Services (the Center) is a nonprofit organization incorporated in July 2013, with the merger of Senior Adult Activity Center of the Harleysville Area DBA Encore Experiences at Harleysville, and The PEAK Center, Inc. The merger allowed for better coordination of services and resources. The mission of the Center is to provide access to programs and resources that help older adults live independently and remain active.

NOTE 2. Summary of Significant Accounting Principles

Basis of Accounting: The statements are prepared on the accrual basis where income is recognized when earned rather than when received and expense is recognized when incurred rather than when paid.

Basis of Presentation: The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Center and changes therein are classified and reported as follows:

Unrestricted Net Assets: Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Center and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets: Net assets subject to donor-imposed stipulations that they be maintained permanently by the Center. Generally, the donors of these assets permit the Center to use all or part of the income earned on any related investment for general or specific purposes. There were no permanently restricted net assets.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

NOTE 2. Summary of Significant Accounting Principles (Continued)

Cash and Cash Equivalents: For the purposes of the cash flow statement, cash equivalents are any investments which has an initial maturity of three months or less.

Designated and Restricted Cash: Designated cash consists of amounts held for member trips. Restricted cash consists of amounts held for tenant security deposits and certain grants.

Investments: Investments in marketable securities are reported at fair market value on the statement of financial position. Donated investments are reflected as contributions at their market values at date of receipt. Certificates of Deposit are reported at fair market value, which is cost plus accrued interest. At June 30, 2016, all investments consisted of money market and mutual funds. Investment income includes interest, dividends, realized and unrealized gains and losses.

Components of investment income for the year ended June 30, 2016 are:

Interest income	$ 417
Unrealized gain (loss)	447
Investment fees	(219)
	$ 645

Receivables: Receivables are estimated to be fully collectible and no allowance for bad debts has been provided. If a receivable is determined to be uncollectible, it will be charged directly to operations in the year that determination is made. Receivables are considered to be delinquent when they are 90 days past their due date. All receivable balances as of June 30, 2016 are due within one year.

Contributions: Contributions are recognized when the donor makes a promise to give to the Center that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Other Assets: Insurance premiums are included in prepaid expenses for all items paid in advance as well as deposits on equipment.

NOTE 2. Summary of Significant Accounting Principles (Continued)

Property and Equipment: Property and equipment are recorded at cost if purchased and fair value if donated. Significant additions and betterments are capitalized and recorded as additions to unrestricted net assets unless the acquisition was due to a donor restricted contribution. The Center's capitalization threshold is $1,000. Depreciation has been calculated on the straight-line method over the estimated useful lives of the assets, ranging from 5 to 25 years.

Contributed Services: Volunteers periodically donate their time to the Center's program services and fundraising activities. An amount has not been recognized in the accompanying financial statements for these volunteer efforts since they did not meet the requirements for recognition.

The Center leases its facilities from the Township of Lower Salford for $9,600 per year. The fair rental value of the facilities approximates $25,000. The amount in excess of rent, $15,400 for June 30, 2016, is reflected in contribution revenue and as an expense of building rental, in the accompanying financial statements.

Functional Allocation of Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Allocation of expenses to program, fundraising, and management and general expense is done by the direct assignment to programs using these costs under the supervision of management. Expenses that are incurred for more than one function, such as a program service, is allocated based on content of the program by function.

Advertising: All advertising costs are expensed when incurred.

Concentrations of Credit Risk: Financial instruments that potentially expose the Center to concentrations of credit risk consist principally of cash and cash equivalents, and investments. At certain times, such instruments may be in excess of FDIC or SIPC insurance limits thus exposing the Center to a loss in the amount of the excess. At June 30, 2016, there were no amounts in excess of insurance limits.

NOTE 2. Summary of Significant Accounting Principles (Continued)

Income Taxes: The Center is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. No current tax obligation exists on the Federal or State level. Additionally, the Center has been classified as an organization that is not a private foundation under Section 509(a)(2).

As required by the FASB Accounting Standards Codification, entities are required to determine whether it is more likely than not that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. It also provides guidance on the recognition, measurement, and classification of income tax uncertainties, along with any related interest or penalties. This standard had no impact on the Center's financial statements. The Center's federal tax return is subject to audit by taxing authorities. The Center's returns open audit periods are for the fiscal year ending June 30, 2013 for the entities merged in Note 1. The first return filed for the merged entity was for the year ended June 30, 2014. The 2014 and 2015 tax years are still open for the merged entity.

Fair Value of Financial Instruments: The Center follows Fair Value Measurements as required by the FASB Standards Codification, which applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. The Codification emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumption that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.

The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 Inputs that utilized quoted prices (unadjusted) in active markets for identical assets or liabilities that the Center has the ability to access.

Level 2 Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

NOTE 2. Summary of Significant Accounting Principles (Continued)

Fair Value of Financial Instruments (continued)

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The primary uses of fair value measures in the Center's financial statements are: recurring measurement of short term investments. The following table represents the Center's fair value hierarchy for those investments measured at fair value on a recurring basis as of June 30, 2016:

	Level 1	Level 2	Level 3	Total
Money Market Fund	$ 158	$ -	$ -	$ 158
Mutual Funds	22,577	-	-	22,577
Total	$ 22,735	$ -	$ -	$ 22,735

Deferred Revenue: The Center reports program revenues service received in advance of services performed as deferred revenue.

Compensated Absences: The Center allows employees to accrue up to 10 days of paid time off (PTO). For June 30, 2016, $6,936 of PTO is included in accrued expenses.

Comparative Information: The financial statements include certain prior year summarized information in total but not by asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principal generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended June 30, 2015 from which the summarized information was derived.

Subsequent Events: The Center has evaluated events and transactions for potential recognition or disclosure in the financial statements through the date of this report which is the date the financial statements were available for release. No subsequent events have been recognized or disclosed.

NOTE 3. Property and Equipment

Property and equipment for the year ended June 30, 2016 consisted of:

Equipment and Furnishings	$ 126,856
Leasehold Improvements	278,516
Total Property and Equipment	405,372
Less: Accumulated Depreciation	(258,995)
Net Property and Equipment	$ 146,377

Depreciation expense was for the year ended June 30, 2016 was $25,985.

NOTE 4. Net Assets

Temporarily Restricted Net Assets: Temporarily restricted net assets are comprised of promises to give that will be applied to future expenses, as well as unexpended amounts from other grants received.

Health Promotions	$ 59
Health Benefits Screening	16,172
Kitchen Equipment	10,000
	$ 26,231

Net assets were released from temporary donor restrictions by incurring expenses satisfying the restricted purposes or by the passage of time as follows:

Time Restriction	$ 50,000
NPC	40,000
	$ 90,000

Designated Net Assets: The Center established an investment fund to be used for special projects. The balance was $22,735 at June 30, 2016.

NOTE 5. Operating Leases

The Center has an office equipment lease which expires in March of 2018. Rent expense for equipment was $5,375 as of June 30, 2016.

The Center conducts its administrative activities in the Lansdale office from facilities that are leased under a fifteen-year operating lease expiring in fiscal year 2028.

The Center leased its Harleysville facilities from the Township of Lower Salford at a rental for $800 per month. The term of the lease is from year to year. Lease expense was $9,600 for the twelve months ended June 30, 2016. The fair rental value of the facilities is estimated at $15,400 more than the actual rent paid. The lease contains a renewal option for additional one year periods.

Future annual lease payments required under the lease terms for the office equipment and Lansdale office are as follows:

Year Ending June 30,	Amount
2017	$ 17,196
2018	$ 17,196
2019	$ 12,012
2020	$ 12,012
2021	$ 12,012

NOTE 6. Notes Receivable

The Center entered into an agreement of sale for land in April 2012. The sale was recorded in December 2012 at a price of $275,000, with $25,000 paid at closing and the balance of $250,000 received in the form of a note receivable. An additional payment of $100,000 on the note is due upon issuance of a building permit for the property, which was paid during the fiscal year, with subsequent periodic payments for the outstanding balance until fully paid on or before December 31, 2016.

NOTE 7. Pension Plan

The Center established a defined contribution retirement plan qualified under Internal Revenue Code Section 408 as a Simple IRA. Eligible employees may contribute a portion of their salaries, tax deferred. To be eligible to participate, an employee must be employed and earning at least $5,000 annual in compensation. The Center will contribute a matching contribution equal to 100% of an employee's contribution up to a limit of 3% per year. The Center contributed $4,108 for the year ended June 30, 2016.

NOTE 8. Agreement with Montgomery County Office on Aging and Adult Services

The Center receives a significant amount of funding through an agreement with the Montgomery County Office on Aging and Adult Services. By contract, the County provides an agreed upon level of funding, with the Center having to match a portion of such funding through contributions and fund raising activities. The contract funding amount constituted 47% of the Center's total revenue for the year ending June 30, 2016.

NOTE 9. Related Parties

Certain members of the board of directors of the Center are related to entities providing services to the Center in the ordinary course of business. Board members annually disclose any conflicts of interest.

NOTE 10. Joint Venture

In 2012, Peak entered into a joint venture with Advanced Living Management & Development Inc., Manna on Main Street, and the North Penn YMCA to jointly develop, construct and operate a co-located community real estate facility. The facility will utilize 60 units for senior rental housing at or below 60% of area medium income as well as operating space for the programs and activities of Manna on Main, Peak, and the North Penn YMCA. The joint venture will terminate upon the earlier of December 31, 2061 or as a result of other events defined in the agreement. The participants are working to develop a joint fundraising strategy and capital campaign for the project. Construction of the facility has been started and is expected to be completed in the next fiscal year. The Center is currently not liable for any debt associated with this joint venture, but could be in the future.